Historic, archived document

Do not assume content reflects current scientific knowledge, policies, or practices.

23S210

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Weekly and Semi-Weekly papers,
for week of May 29, 1933.
DISTRIBUTION: EXCLUSIVE to State
extension editors.

WEEKLY NEWS SERIES, NO. 1

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

1.9
In3Pre

FARMERS AND OTHERS INVOKE FARM ACT

Producers and distributors of farm products are bringing their problems to Washington for consideration in connection with the provisions of the new Agricultural Adjustment Act. At the same time they and others are giving to Secretary of Agriculture Henry A. Wallace and to Federal Administrator George N. Peek, information on various farm commodities and are expressing their views and their opinions on how the provisions of the Act can be used.

The first group to appear at Washington consisted of milk producers and distributors from the Chicago dairy district, comprising some 18,000 farms in three States--Illinois, Indiana, and Wisconsin. After thorough discussion with Secretary Wallace, Administrator Peek, and other Department officials, the Chicago men drafted a marketing agreement which has been filed with the Secretary of Agriculture to be considered at a formal hearing on dairy commodities.

Another dairy group came from Cincinnati with a statement of their marketing problems. After their discussion they also returned to draft an agreement of their own for Departmental approval.

Sixteen organized groups of wheat growers from both spring-wheat and winter-wheat States, discussed with the Secretary and Mr. Peek the application of the Act to the wheat-growing industry.

Meanwhile, representatives of both producers and processors of cotton, corn and hogs, dairy products, and wheat have held informal conferences in Washington with Secretary Wallace and Administrator Peek, preliminary to the commodity hearings which will be followed by Secretary Wallace's announcement of regulations or agreements for any commodity.

###

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Weekly and Semi-Weekly papers,
for week of May 29, 1933.
DISTRIBUTION: EXCLUSIVE to State
extension editors.

WEEKLY NEWS SERIES, NO. 2.

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

FARM ACT IS IN PRACTICAL HANDS

The pledge that the "Agricultural Adjustment Act will be administered by practical men in a practical fashion," made by Secretary of Agriculture Henry A. Wallace, himself farm-bred and a farm owner is being fulfilled in the appointments of administrative officers of the Act made thus far.

George N. Peek, Federal Administrator of the Act; Charles J. Brand, his associate; Chester C. Davis, in charge of production phases, and M. L. Wilson, directly concerned with wheat, were all born on farms and have farmed for a living.

Mr. Peek has been engaged in work for farm relief since 1921. He was president of the American Council of Agriculture in 1924. He was engaged for a long time in the manufacture of agricultural implements at Moline, Ill., and for the past 20 years has owned farms in Colorado.

Mr. Brand, born on a farm in Minnesota, has spent his life in work connected with agriculture. Brand was the first head of the Bureau of Markets of the United States Department of Agriculture, which later became the Bureau of Agricultural Economics. For several years he was vice president and general manager of American Fruit Growers, Inc. Before he was named coadministrator of the Adjustment Act he was executive secretary of the National Fertilizer Association.

Chester C. Davis, born on an Iowa farm, spent the first 20 years of his life there, and later owned and operated a farm of his own. For many years he has been active in various agricultural organizations in the Middle West and Northwest and was formerly commissioner of agriculture in Montana.

M. L. Wilson was also born on an Iowa farm. He farmed in Nebraska as a renter when he was 21, homesteaded in Montana, managed a tractor-operated wheat farm there, and was one of the first two county agents in the State. He became State county agent leader, and later head of the Department of Agricultural Economics at Montana State College. He was for a time head of the division of farm management and costs in the Bureau of Agricultural Economics of the United States Department of Agriculture.

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

RELEASE:- Weekly and Semi-Weekly papers
for week of June 4, 1933
DISTRIBUTION:- EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES, No. 3.

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

FARM ACT SECTION CAN AID BORROWERS

Authorization for Federal Land Banks to issue up to $2,000,000,000 in bonds, with interest guaranteed by the United States, and either exchange the bonds for first mortgages on farms or sell them and use the money to make new loans to farmers, is one of the principal features of the farm mortgage section of the Agricultural Adjustment Act, according to information issued by the Farm Credit Administration, which administers this section of the Act.

The Farm Credit Administration began functioning on May 27 as provided for in President Roosevelt's Executive Order issued March 27, 1933. The agencies to be consolidated under the new Administration include the Federal Farm Board; the Federal Farm Loan Bureau which has jurisdiction over the Federal Land Banks, Joint Stock Land Banks and Intermediate Credit Banks; the regional agricultural credit corporations of the Reconstruction Finance Corporation, and the Crop Production Loan Division of the United States Department of Agriculture.

The farm mortgage section of the Farm Act makes it possible to lower the interest rates on both old and new loans, and to permit borrowers, generally, to extend payment on the principal of their loans from the Federal Land Banks, and to loan money directly to farmers in districts where there are no National farm loan associations through which applications may be accepted. It also provides for Farm Loan Commissioner's loans to be made direct to farmers from agents of the Farm Loan Commissioner located in each of the 12 Federal land bank districts.

Applications for information or loans under the new Act, the Farm Credit Administration says, should be made to the secretary-treasurer of the National farm loan association in the County in which the applicant's farm is located, or to the Federal Land Bank serving his State. In the absence of a loan association, farmers should get in touch with their County Agricultural Agent.

The Federal Land Bank for this district is at _____, _____. (See supplement)

(5-29-33)

6990

(Supplement for Weekly News Series story, No. 3)

Below are the names and addresses of the Federal Land Banks, including the names of the States served by the different banks. This list is given for the information of State extension editors infilling in spaces in last sentence of Weekly News Series story No. 3.

The Federal Land Bank of Springfield---Springfield, Mass.
Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island and Vermont

The Federal Land Bank of Baltimore Baltimore, Md.
Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia and Puerto Rico

The Federal Land Bank of Columbia Columbia, S.C.
Florida, Georgia, North Carolina and South Carolina

The Federal Land Bank of Louisville Louisville, Ky.
Indiana, Kentucky, Ohio and Tennessee

The Federal Land Bank of New Orleans New Orleans, La.
Alabama, Louisiana and Mississippi

The Federal Land Bank of St. Louis St. Louis, Mo.
Arkansas, Illinois and Missouri

The Federal Land Bank of St. Paul St. Paul, Minn.
Michigan, Minnesota, North Dakota and Wisconsin

The Federal Land Bank of Omaha Omaha, Nebr.
Iowa, Nebraska, South Dakota and Wyoming

The Federal Land Bank of Wichita Wichita, Kans.
Colorado, Kansas, New Mexico and Oklahoma

The Federal Land Bank of Houston Houston, Texas
Texas

The Federal Land Bank of Berkeley Berkeley, Calif.
Arizona, California, Nevada and Utah

The Federal Land Bank of Spokane Spokane, Wash.
Idaho, Montana, Oregon and Washington

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Weekly and Semi-Weekly papers
for week of June 4, 1933.
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES, No. 4.

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

FARM AND MARKET GROUPS CONFERRING

Agricultural producers and processors who are discussing the new Agricultural Adjustment Act with officials of the United States Department of Agriculture have centered their interest, thus far, largely upon the trade agreement provisions of the Act. Decisions on whether to apply measures for regulating crop production, and on what methods to use, are pending. In the meantime the trade agreement section of the Act offers possibilities of solving some marketing problems for several commodities.

Milk producers and distributors from Chicago, Cincinnati, Washington, D. C., New England, and Georgia have been in informal conference with Secretary of Agriculture Henry A. Wallace, Federal Administrator George N. Peek and his associate Charles J. Brand, and others, and have drawn up agreements which have been submitted to the Secretary for consideration under the Act after formal hearings. Evaporated milk manufacturers of the U. S. are preparing to submit a tentative marketing agreement under the Act.

Wheat producers, grain dealers, and processors have held extended discussions with the Secretary; Administrator Peek; Chester C. Davis, in charge of production adjustments generally; and M. L. Wilson, in charge of wheat production adjustment. The discussions have centered largely upon possible trade agreements.

Cotton manufacturers have also been in conference at Washington and Cully A. Cobb, who is formulating a production program for cotton industry, has completed a trip through the South studying the cotton situation.

Meat processing and tobacco groups have also applied to the Department for information on trade agreements for their industries, and have made suggestions as to the possible form such agreements might take.

Activities of the Agricultural Adjustment Administration at present are directed largely toward obtaining a comprehensive and adequate picture of the different agricultural commodities and their situation.

--oOo--

6988 (5-29-33)

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

RELEASE: Farm pages of dailies for
week of June 4, 1933.
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES, NO. 5.

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

(Farmers Themselves Control Production)

Farmers themselves exert more control over aggregate agricultural production than do weather and other uncontrollable natural factors. The farmer is not in business for one season only. He plans his operations for several season and controls his output by the amount of his acreage. Variations in yield per acre, due to weather, often upset his plans from one season to the next, but in the long run, changes in acreage and improvements in cultural methods have more effect on total output than do bumper crops or crop shortages.

Statistics gathered by the United States Department of Agriculture demonstrate this fact, although farmers and others are inclined to remember high yields in good seasons more easily than the slower and more general changes over a period of years. It is not always remembered, either, that the smaller output in years of low production has frequently returned more money to the farmers than have the bumper crops when prices were lower.

Farmers in the United States grew 926,130,000 bushels of wheat in 1928, as compared with 874,633,000 bushels in 1927. Yet they received nearly $130,000,000 more for the smaller crop than for the larger crop. American cotton growers produced 12,955,000 bales in 1927 as against 17,977,000 bales in 1926. For the smaller crop, the farm value as of December 1, 1927, was $1,269,885,000 or $287,149,000 more than the farm value of the larger crop grown the year before. Potato production totaled 426,776,000 bushels in 1928 and was worth, on the December 1 basis, $224,859,000. The 1929 crop was only 329,134,000 bushels, but it brought $423,896,000, or $199,037,000 more than the larger crop of the preceding year.

Acreage is one of the obviously controllable factors in total agricultural output. Scientific methods of cultivation and fertilization, and use of improved varieties are others. Increases or decreases in production that are due to natural and uncontrollable factors, cancel each other in the long run. Man's control of acreage and of cultural methods is cumulative and constant. Eventually, therefore, farmers themselves control production by controlling acreage and acre-yields.

United States production of 10 important crops increased 146 per cent between the two 5-year periods 1875-1889 and 1900-1904. The acreage of these crops increased 134 per cent, whereas the combined acre-yield average rose only 4 per cent. Obviously the gain in acreage, a controllable factor, had far more to do with the increase in production than did the rise in yields.

In the first 25 years of present century, the output of the 10 crops gained about 29 per cent, almost wholly as a result of a 24 per cent increase in the acreage. Again, yields per acre increased only 4 per cent.

On a large acreage of any crop, yields per acre vary less than those on a small acreage. In the last 10 years, for example, the yield per acre of wheat throughout the world has averaged 13.9 bushels. In the highest of these 10 years the average yield rose only to 15 bushels per acre and in the lowest year it dropped only to 12.9 bushels. The production of a widely distributed crop over a term of years depends almost entirely upon the acreage of the crop.

The Department of Agriculture points out that nature decides the volume of production only on a short-time basis. Nature largely influenced the big drop in cotton production between 1926 and 1927, but man dictated the big jump in cotton production in the 8-year post-war period 1919-1926, largely by increasing the cotton acreage from 33,566,000 acres in 1919 to 47,087,000 acres in 1926. The cotton output rose from 11,421,000 bales in 1919 to nearly 18,000,000 bales in 1926, and more than two-thirds of the increase was due to the increase in acreage.

"If enough people will join in the wide and swift adjustments that the new Farm Act proposes, we can make it work," Secretary of Agriculture Henry A. Wallace declared in a recent address. "The Act provides new governmental machinery which can be used by all who labor to grow and to bring us food and fabrics, to organize, to put their businesses in order, and to make their way together out of a wilderness of economic desolation and waste. The Emergency Adjustment Act makes it lawful and practical for them to get together and do so. It provides for a control of production to accord with actual need, and for an orderly distribution of essential supplies."

--oOo--

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: weeklies and semi-weeklies
for week of June 11, 1933.
DISTRIBUTION: EXCLUSIVELY to State extension editors.

WEEKLY NEWS SERIES NO. 6

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

NATURAL TRENDS NO ANSWER TO SURPLUS

Crop and market trends for 1933 indicate that natural factors alone will not reduce agricultural production in the United States this year enough to dispose of the burdensome surpluses of farm products.

In spite of the fact that the 1933 winter-wheat crop is forecast as being 124,666,000 bushels smaller than the 1932 crop, it is unlikely that the present wheat surplus will be overcome as a result. The United States wheat carryover at the beginning of the present marketing year was approximately 363,000,000 bushels. The normal carryover is in the neighborhood of 125,000,000 bushels.

The new crop is now generally expected to be smaller than last year's in view of the winter wheat acreage that has been abandoned, but it probably will be sufficient to cover current domestic consumption, especially since the higher price of wheat may discourage its use as feed in the amount that was fed last year.

Bringing down the wheat surplus thus remains an export problem, or a problem of collective adjustment by producers. At the present rate of export the total amount that can be disposed of during the coming season would be even less than the small volume of about 40,000,000 bushels exported this season. If there are no material changes in the export demand for American wheat, and the coming year's shipments are no larger than those of this year, or even smaller, a carryover of two and a half times the normal volume is likely to plague the Wheat Belt in 1934.

The American cotton carryover this year is two and a half to three times normal, approximately 13,000,000 bales---just about what the world's annual consumption of American cotton has averaged during the last three years. The average production of American cotton during the last five years has been about 14,000,000 bales. Any cotton raised this year would be added to a carryover already equal to a year's consumption.

The hog surplus, judging from current trends in production and exports, is likely to be greater in the coming season because there are more hogs in this country and because the domestic market is being forced, by decreasing export demand, to consume a greater proportion of the total pork produced in this country. Pork consumption in the domestic market---at ruinously low prices to producers---was relatively greater in 1932 than in previous years. In 1932 the domestic market consumed 98 percent of all the pork produced in the United States, as compared with 96 percent in 1928. The hog population in the United States on January 1, 1933, was estimated at 60,716,000 head as compared with an average of 57,028,000 head on the same date for the four years 1926-1929. The 1932 corn crop of nearly 3 billion bushels, was the largest since 1925.

Natural trends in production and consumption will not solve these surplus problems that face American farmers and the Agricultural Adjustment Administration.

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

RELEASE: Farm pages of dailies, for
week of June 11, 1933.
DISTRIBUTION: EXCLUSIVELY to State extension editors

WEEKLY NEWS SERIES NO. 7

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

(Farm Act Officials Get Farmers' Views)

The Agricultural Adjustment Administration of the Department of Agriculture is thoroughly exploring the situation of agricultural commodities, preparatory to applying such provisions of the new Adjustment Act as are practicable and effective under present conditions. Farmers, processors, and dealers, as well as officials of the Administration, have been presenting facts and opinions on problems ahead of the Administration.

More than a score of organizations of wheat growers, grain dealers, millers, and other grain interests have been represented at an informal conference at Washington with Secretary of Agriculture Henry A. Wallace, George N. Peek, Federal Administrator of the Act, Charles J. Brand, Coadministrator, and other officers.

The wheat men assured the officials of their cooperation. Some groups urged the application of the domestic allotment plan, others laid emphasis upon the advisability of stimulating export trade. The Department of Agriculture has not committed itself to any specific procedure.

Milk producers and distributors from nine areas have been in Washington to discuss their problems and to get suggestions on trade and marketing agreements which they will later submit for Departmental action at formal hearings. The first formal hearing under the Adjustment Act was held on June 5 and related to trade agreements among producers and distributors in the Chicago dairy district.

Informal conferences at Washington, similar to that held by the wheat men, have been attended by cotton producers and manufacturers on June 3, and by cigar-tobacco growers, dealers, and manufacturers, June 3-6.

The Department officials have obtained the views of the groups represented on the procedure, both immediate and long time, which should be followed with each commodity.

Meantime, men have been assigned in Washington to numerous activities under the Adjustment Act. In addition to Federal Administrator Peek and his associate Charles J. Brand, the following men have been designated to head the activities indicated: Chester C. Davis, in charge of production adjustments generally; Oscar Johnston, in charge of finance; Jerome N. Frank, General Counsel; Former Senator Smith W. Brookhart of Iowa and Glenn McHugh, special assistants to Mr. Peek; Alfred D. Stedman, Chief of Information; M.L.Wilson in charge of adjustments in wheat production; Cully A. Cobb in charge of adjustments in cotton production; John B. Hutson, chief tobacco specialist of the Bureau of Agricultural Economics, temporarily in charge of the tobacco program; Guy C. Shepard in charge of trade agreements in the field of processing and distributing packing-house products.

###

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

RELEASE: Weeklies and Semi-Weeklies
for week of June 19, 1933
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES, No. 8

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

INFLATION ALONE NOT FARM ANSWER

Inflation alone will not restore pre-war purchasing power to the over-produced commodities - cotton, wheat, corn, hogs, rice, and tobacco. This opinion is expressed by officials of the United States Department of Agriculture in commenting upon recent increases in the prices of farm commodities.

Early in May wheat was quoted at around 70 cents a bushel, with cotton near 10 cents a pound. These prices represented an increase of approximately 100 per cent over the February, 1933, listings of 32 cents a bushel for wheat and five and one-half cents a pound for cotton. The increases were due in part to anticipation of the probable effect of general inflationary measures, and in part to anticipation of the effect of production adjustments possible under the new Farm Act.

Inflation ordinarily gives farmers certain definite advantages. Such measures, designed to raise prices, raise the prices of war materials first, and farmers are primarily producers of raw materials. Inflation may help general business conditions and improve the demand for farm goods as well as increase their prices. It reduces the relative size of fixed charges, such as debts and interest, that farmers must pay.

But the present farm problem rests upon a fundamental lack of balance between the production of actual agricultural goods and the consumption of those goods. American farmers are producing too much wheat, pork, cotton, and other commodities under the conditions that now prevail.

Normally farmers do gain by inflation, but the presence now of these surpluses prevents them from gaining the full measure of benefit.

Inflation cannot make overproduction less wasteful. It cannot remedy the disparity between the buying power of farm products and the buying power of industrial goods. Doubling the number of dollars a farmer gets for a hog doesn't enable the farmer to buy any more manufactured goods if the price of those goods has doubled too.

Higher prices caused by inflation alone may tend to increase production, and to intensify the actual maladjustment between production and effective demand.

Desirable as a rise in the general price level is, under exisiting conditions it must be accompanied by production control unless and until normal markets are restored.

Farmers must look past the benefits of inflation toward the real essential adjustment to economic reality - the adjustment of the volume of output of American farms to the actual need, coupled with ability to pay, of the people who will consume that output.

"Without controlled production," says Secretary Henry A. Wallace, "no price-lifting effort can possibly work; because if there is no control of production, the better price increases the next year's planting, and the greater harvest wrecks the price."

####

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

RELEASE: Weeklies and Semi-Weeklies,
for week of June 19, 1933.
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES, No. 9

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

TAKE LEAD IN FARM TRADE AGREEMENTS

With the appointment of General William I. Westervelt as Director of Processing and Marketing in the Agricultural Adjustment Administration, definite organization is taking shape to work with the distributor and manufacturer angles of trade agreement activities under the Farm Act.

Interest has been great in this section of the adjustment program. Producers and distributors, notably of dairy products, are already invoking the trade agreement provisions of the Act. Plans call for the consideration of agreements for many of the more important farm commodities.

Under the trade agreement provisions of the Adjustment Act the Secretary of Agriculture is empowered to approve and become a party to marketing agreements among associations of producers and among processors and distributors in interstate or foreign trade, of any agricultural product, whether one of the seven listed as "basic" in the Act or not.

In these agreements the manufacturers and dealers may cooperate under the guidance and supervision of the Secretary of Agriculture to make their operations more efficient and economical, and the economies affected under such agreements may be reflected in higher returns to producers. Antitrust laws would not be applied to trade practices adopted under marketing agreements approved by the Secretary of Agriculture.

#####

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

RELEASE: for week of June 19, 1933. WEEKLY NEWS SERIES, No. 10.
DISTRIBUTION: EXCLUSIVE to State extension editors (Special wheat story)

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

WHEAT PLAN BRINGS CASH TO FARMERS

Benefits Scheduled This Year For Growers Who Take Part in The Wheat Adjustment Program.

Cash benefits will be paid to_____ wheat farmers this fall,
(name of State)
probably by September 15, under the plan with which the Agricultural Adjustment Administration has decided to make the Farm Act effective for wheat this year.

_____ ranks _____ in wheat production, the
(Name of your State) (See attached sheet)
records of the U. S. Department of Agriculture show. In the five-year period, 1928-32, it produced on an average,_____bushels and planted on the average,_____acres.

The wheat adjustment program provides for paying cash benefits to farmers on the basis of the percentage of their average wheat crop for the past three years, which is domestically consumed as food, upon agreement of farmers to reduce their acreages. Processing taxes are to be levied to pay the costs.

The plan will be to pay cash benefits each year on the allotments of each farmer for 1933, 1934, and 1935, provided the farmer agrees to reduce his planted acreage for the 1934 and 1935 crops by a percentage that will subsequently be determined by the Secretary of Agriculture, but will not be more than 20 per cent of the average acreage planted by the farmer in the last three years.

Only an exceptionally bad season has reduced the prospective crop for this year, and the Adjustment Administration decided to put the plan in effect at once because of the existence of a carryover three times normal and because heavy surpluses might result from normal yields in 1934 on only an average planted acreage. They expect to pay two-thirds of the benefit this fall, and the remainder next spring after the planting season.

M. L. Wilson, Montana Agricultural College professor in recent years, but who qualified as a true dirt farmer by homesteading in Nebraska when he was 21, is in charge of the wheat adjustment program and will actively direct the preliminary organization which must take place before benefits can be gotten to the farmers. Mr. Wilson will work with George N. Peek and Charles J. Brand, administrators; and Chester C. Davis, director of production control.

Approximately a million participating wheat farmers should be affected by the program. The administration will be thoroughly decentralized, with farmers organizing their own county committees to take charge of local details of administration. These county groups will be the key units in the whole scheme, and the farmers will choose their own men to handle the county program. Each county group will pay its own expenses, to be charged to each farmer according to his allotment. The more economically the local unit is operated, the less it will cost the farmers in that county.

The average amount of wheat that farmers have grown in the last three years will determine the basis of their allotments, Mr. Wilson says. The Government has official records on State and county production. Averages for the crop years 1928 to 1932 will be computed, and upon this average production and acreage the allotment for each county will be made. After the allotment is made to each county, the county committee, chosen by farmers themselves at community meetings, will have each farmer list his wheat acreage and production for the last three years. The committee will take an average of this, and then allot to each farmer his proportionate share of the amount allotted to the county.

Thus, the steps to be taken by the wheat farmer who wishes to participate in the plan are to join his local organization as soon as it is formed, turn in the figures on his production and acreage planted for the last three years, and agree to reduce his acreage by the desired amount, in no case more than 20 per cent of his three-year average.

In return, the farmer will receive an allotment which is in the same proportion to his average production as the total wheat domestically consumed in this country for food is to the total wheat grown. This allotment will be in bushels. On this allotted number of bushels, he will recieve a cash benefit from funds raised by a processing tax levied on the basis of the relationship between present price and parity price of the pre-war period. It is estimated that about 30 cents per bushel will be paid, two-thirds by about September 15 and the remaining third in the spring of 1934.

The plan functions as crop insurance up to the amount of the benefit on the allotted number of bushels. To obtain the benefit the farmer must plant his crop in the ordinary manner, but if it is hailed out, dried out, blown out, or otherwise destroyed by Nature, he will receive his benefit just the same.

The plan has absolutely nothing to do with the selling of wheat by a farmer or grain dealer. A farmer may sell his wheat when and to whom he pleases, or he need not sell it at all. It is entirely up to him. The plan is not a price-fixing measure.

While the measure is designed to help the wheat farmer get a fair return for his crop, the consumer is not forgotten. The Agricultural Adjustment Act gives the Secretary of Agriculture the power to enforce fair trade practices among food distributors, and, if the processing tax is found unduly burdensome, he is directed to lower it.

As a matter of economy and efficiency, the Administration will use the agricultural extension services in organizing farmers under the plan. County agents will take an active part in the organization work, and are in position to give information on the wheat plan.

#####

7058

AVERAGE WHEAT PRODUCTION AND ACREAGE PLANTED IN THE UNITED STATES BY STATES FOR FIVE-YEAR PERIOD 1928-1932

STATES in order of average production of all wheat	TOTAL PRODUCTION (thousands of bushels)	ACREAGE PLANTED (in thousands)		
		Winter Preceding fall 1927-1931	All Spring	All
1. Kansas	169,176	12,590.2	34.8	12,625.0
2. North Dakota	102,255	---	10,513.6	10,513.6
3. Nebraska	56,701	3,647.6	178.0	3,825.6
4. Oklahoma	54,352	4,685.2	---	4,685.2
5. Montana	45,167	846.0	3,690.6	4,536.6
6. Washington	42,568	1,326.0	1,092.2	2,418.2
7. South Dakota	37,757	175.6	3,684.8	3,860.4
8. Texas	37,749	3,613.4	---	3,613.4
9. Illinois	31,558	2,157.2	127.0	2,284.2
10. Ohio	30,480	1,819.6	12.0	1,831.6
11. Idaho	27,488	696.2	540.0	1,236.2
12. Indiana	26,465	1,777.4	14.0	1,791.4
13. Oregon	21,205	869.0	177.0	1,046.0
14. Minnesota	20,680	202.0	1,223.4	1,425.4
15. Missouri	19,634	1,627.4	10.2	1,637.6
16. Pennsylvania	17,387	982.0	10.2	992.2
17. Colorado	16,727	1,516.8	333.4	1,850.2
18. Michigan	15,523	756.2	9.6	765.8
19. California	11,053	735.0	---	735.0
20. Virginia	9,220	623.2	---	623.2
21. Maryland	8,648	468.6	---	468.6
22. Iowa	7,555	383.4	47.2	430.6
23. Utah	5,554	193.4	75.6	269.0
24. New York	4,411	238.6	9.8	248.4
25. North Carolina	3,653	349.8	---	349.8
26. Wyoming	3,621	168.0	179.4	347.4
27. New Mexico	3,286	353.2	29.6	382.8
28. Kentucky	3,002	273.8	---	273.8
29. Tennessee	2,918	293.8	---	293.8
30. Wisconsin	1,854	35.8	65.8	101.6
31. Delaware	1,800	99.2	---	99.2
32. West Virginia	1,643	112.8	---	112.8
33. New Jersey	1,157	52.8	---	52.8
34. South Carolina	575	57.4	---	57.4
35. Arizona	565	23.2	---	23.2
36. Georgia	510	55.2	---	55.2
37. Nevada	378	2.8	12.2	15.0
38. Arkansas	247	26.4	---	26.4
39. Maine	51	---	2.4	2.4
40. Alabama	34	3.2	---	3.2
Total above States	844,607	43,837.4	22,072.8	65,910.2

---T---

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: for week of June 19, 1933. WEEKLY NEWS SERIES, No. 11
DISTRIBUTION: EXCLUSIVE to State extension editors. (Special wheat story)

LIBRARY BUREAU OF AGRICULTURAL ECONOMICS U.S. DEPARTMENT OF AGRICULTURE

GROWERS TO MANAGE OWN COUNTY GROUPS

Wheat farmers who decide to accept the adjustment plan of the Agricultural Adjustment Administration are going to manage their own county organization. This is the decision of the administration in line with its plan thoroughly to decentralize the program.

Although there will be national and State offices, the county groups will be fundamentally important. They are the key units in the whole program, and the administrators of the plan frankly admit that its success depends upon the cooperation of the farmers of each county in handling their own organization. The county organizations will be built up by the wheat farmers themselves.

The county agricultural agent, or other man who may be appointed to handle organization work for each district, will take the initiative in calling preliminary meetings in the local communities. County organizations and representative committees will develop from these first meetings, with the farmers assuming active direction themselves.

The county and local associations of participating growers will gather the records of each farmer who elects to come under the plan. They will take the county allotment, which will be computed in Washington on the basis of the official records for production during the past five years, and will direct the individual assignment of this county allotment on a basis of each man's average production during the last three years. Benefit payments will be made according to the certifications made by the local committees.

The cost of local county administration will be carried by the participating growers themselves, each share being estimated on the basis of the individual farmer's allotment.

#####

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: for week of June 19, 1933
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 12
(Special wheat story)

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

FARMERS GIVEN FREE HAND IN CROP SALES

The wheat adjustment plan, under which wheat farmers who agree to reduce acreage in 1934 and 1935 will receive cash benefits in 1933, 1934, and 1935, is not a price-fixing measure, nor does it place restrictions on a farmer in selling his own crop, or on any elevator man or grain processor in buying or selling wheat, M. L. Wilson, wheat administrator says.

The farmer who comes under the adjustment program can sell his wheat to anybody he wishes, for any price he wishes, at any time he wishes. There are no "strings" to the contract. The farmer reduces his acreage if reduction is required, and gets the payments as provided in his contract, but the sales of the crop he does raise are not under regulation.

Mr. Wilson points out that the amount to be paid on the allotment of each farmer is fixed at the beginning of the season. It is the same per bushel of wheat for every farmer, regardless of when he sells his crop or what he gets for it, or what kind of wheat it is.

In calculating the payment for each year, the Administration will attempt to make the payment sufficient to bring the total return to the farmer on his crop up to the point where it will have as much buying power as it did in the pre-war period, 1909-1914. However, if one farmer sells his wheat for a certain price, and his neighbor sells for more or for less, this will not affect the amount of the benefit payment of either. The payment is fixed for each year and remains at that figure during that year.

######

7059

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE:- Immediate
DISTRIBUTION:- EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES NO. 13
(Special cotton story)

RARY
...ICS
...F AGRICULTURE

GROWERS TO DECIDE COTTON REDUCTIONS

Decision On Placing Acreage Retirement Proposals Into Effect Rests on Cooperation of Farmers.

Cash compensation estimated to total from $100,000,000 to $150,000,000 would be possible for cotton producers of the South, and not less than 10,000,000 acres of cotton might be retired from production this year, if the cotton producers agree in sufficient numbers to cooperate with the Agricultural Adjustment Administration in its proposed acreage reduction program.

Farmers themselves will answer the question of whether or not the reduction campaign is to be attempted this year. Opportunity for the approximately two million cotton producers to sign up will be offered throughout the cotton producing states during a special "Cotton Week" campaign which will start during the week of June 26. Contracts will be made available to the growers through local committees which are being organized in the 820 cotton producing counties of the South. State extension directors and county agricultural agents will have full information on the contracts and general plan.

The contracts which the grower will be asked to sign provide that, for a definite consideration, the producer offers to retire from production a described portion of his cotton acreage. Each farmer may take out of production not more than 40 per cent of his land now planted to cotton. The Secretary of Agriculture will probably reject offers of less than 25 per cent of the acreage of any producer, unless such acreage is very convenient to check or the yield is unusually high.

Two alternate plans are offered the cotton producer in taking advantage of the "considerations" offered him for his acreage reductions. Under the first plan, he will receive a cash compensation for his cooperation based on the pro-

ductivity of the land he takes out of production. This will range from $6 per acre for land yielding on the average around 100 pounds lint cotton per acre to $12 for land yielding on the average 275 pounds or more per acre. In addtition, under the first plan, the grower can take an option on government-held cotton in an amount equal to that which he agrees to retire from production, and at a price of 6 cents per pound.

Under the second of the alternate plans available for the grower, a cash benefit is paid without the cotton option. The amount of this compensation, on an acre basis, will range from $7 for land yielding from 100 to 124 pounds per acre to $20 for land yielding 275 pounds or more per acre.

Under the first or "combination" plan of cash acreage payments plus options on cotton at a price substantially below the present market price, the cotton producer is offered an opportunity to be compensated for the cost of bringing the acreage he takes out of production to its present stage and also to have the same amount of cotton to market next fall that he would have had if he had not participated in the plan.

The amount of acreage to be retired from production will be determined by the Secretary after the offers of cooperation have been received. No definite amount of acreage is predetermined, except to procure a sufficient retirement effectively to eliminate a substantial portion of this year's crop and reduce excessive surpluses.

###

United States Department of Agriculture, Office of Information, Press Service
Washington,D. C.

RELEASE:- Immediate
DISTRIBUTION:- EXCLUSIVELY to State extension editors

WEEKLY NEWS SERIES NO. 14
(Special cotton story)

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

SAY COTTON SURPLUS MUST BE REDUCED

The present cotton surplus must be wiped out.

That, in effect, is the immediate concern of Cully A. Cobb, in charge of administering the Agricultural Adjustment Act as it applies to cotton. The surplus of cotton accumulated through years of good crops and accentuated by reason of the world-wide depression stands like an impenetrable barrier on the road to better prices for the cotton grower.

This surplus began to accumulate back in 1929 when the carry-over of American cotton in the world was some 4,500,000 bales. By August 1932, the carry-over had reached the total of 13,000,000 bales. And in that year a 13,000,000 bale crop was produced making a supply of 26,000,000 bales. This year,1933 indications are now for an excellent crop and the low rate of consumption promises another huge carry-over to add to the crop being grown.

There has been some rise in the price of spot cotton recently due to various factors but always there looms in the background a surplus above present needs. For this reason, cotton growers are urged to replace with soil building crops some of the cotton now growing. Government officials estimate that between two and three million bales must be removed from production this season in the effort to reduce the surplus existing. To remove this cotton will mean a greater prosperity for the Southern farmer. The removal will not be regarded as a sacrifice when it is fully understood that the Government plans to pay each cooperating grower a fair rental for the land taken from the production of cotton and will also give him an option on as much cotton as he removes, thus assuring him of having his usual amount of cotton to sell this fall without the further expense of producing part of it.

RELEASE: Immediately
DISTRIBUTION: EXCLUSIVELY to State extension editors

(Special cotton story)

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

OPTIONS REPLACE REDUCED COTTON

Under the cotton option plan of the Agricultural Adjustment Act the grower who removes a portion of his crop from production this season may take an option for the same amount removed from cultivation. The cotton on which this option may be taken is held now by the Government and is available to those growers cooperating to reduce the existing surplus.

"Therefore," says Cully A. Cobb, in charge of administering the cotton production phases of the Agricultural Adjustment Act, "those growers who do cooperate to remove a part of their crop from production this season may be assured that they will have as much cotton to sell this fall as if not part of their present crop had been removed from cultivation. Fears have been expressed by some growers that should they reduce their acreage, other growers might not do so and would benefit to a greater degree under the operations of the Act.

"It will not work this way in actual practice," Mr. Cobb says. He explains this by pointing out that, for instance, if a grower reduces his production this year by say ten bales, this grower will be paid a fair price for the land so removed from the cultivation of cotton. In addition, he will be given an option on ten bales of Government cotton at a price of six cents a pound. This option costs him nothing and if the price goes down, the farmer has no obligation in the matter but if it goes up, he receives the benefit of the increased price.

In this way, the cooperating farmer will have just as much cotton to sell this fall as he would have had normally, and is saved the expense of cultivating, harvesting, ginning and marketing the part removed from cultivation. He will also receive an immediate cash rental payment on the land removed from cotton production and still have the crop produced on his remaining acreage to sell on the open market.

This then aboslutely protects the cooperating grower from any loss, guarantees to him a normal amount of cotton to sell this fall, and allows him to have a part in reducing the surplus which is the cause of so much distress on cotton farms at the present time.

Such a proposition as this, believes Mr. Cobb, should be attractive to any grower, especially since it may be the means of restoring the buying power of the entire Cotton Belt.

7064

###

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 31 1934
U. S. Department of Agriculture

WEEKLY NEWS SERVICE No. 16
Special cotton story

RELEASE:-Immediate.
DISTRIBUTION:-EXCLUSIVELY to
State extension editors.

PLAN OTHER CROPS FOR RETIRED COTTON

Southern cotton farmers who cooperate in governmental plans to retire a part of the acreage this season in the effort to increase the price of the staple, still may utilize the land so released with good effect.

This is the belief of those responsible for putting into effect the agricultural adjustment act as it applies to cotton. Not only will cotton farmers receive cash rewards for removing a part of the present acreage; but, in addition, they may use the land so released to grow the feedstuffs lacking and needed on many farms, such as Sudan grass, cowpeas, and sorghum. Even though it may be late to plant these crops with best results, the land may be kept in condition and ready to plant this fall with small grain and clovers or other legumes.

Where small grain is planted, lespedeza may be over-planted on the grain early next season and thus assure two crops from the same land. This idea of broadcasting lespedeza on small grain is gaining considerable headway in many of the cotton-growing states.

Planting the acreage retired from cotton to small grain this fall has the double virtue of keeping such acreage from being put to cotton in 1934. This is considered important by administrators of the Agricultural Adjustment Act since the operations of the act call for a continuous and long-time effort to keep the cotton acreage within reasonable bounds.

Growers who plan to cooperate with the government in an effort to restore prosperity to Southern farms will give careful consideration to the use of all land retired from cotton cultivation, believe officials of the United States Department of Agriculture. To do so is to further balance production on a sane basis for the ultimate benefit of the grower.

7065

######

A 1.9
In31We

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 17
(Special cotton story)

COTTON CONTRACTS OFFER EARLY CASH

Cash payment of compensating acreage benefits, upon proof that the designated acres have been taken out of production, is provided in the tentative contracts which are being made available to cotton producers of the South this week in the intensive campaign to secure cooperation of the growers in the Agricultural Adjustment Administration's proposed program of acreage reduction.

The growers are being given an opportunity to sign an "offer to enter into contract" with the Secretary of Agriculture, in which they indicate their desire to cooperate with the Secretary in the effort being made to reduce the 1933 cotton production in America, and to qualify for the compensating benefits provided in the plan. This offer becomes a contract if and when accepted and signed by the Secretary. The contracts will be made effective when a sufficient number of cotton producers sign up to insure the success of the reduction plan.

Various specific representations are to be made by the grower in filling out the contract form. He will state the acres of cotton on his farm, the condition of the stand, and the approximate pounds of fertilizer which have been applied to the crop. He will give the acres and bales harvested on the farm in 1932, and indicate where the crop was ginned or how and where it was sold. He will also estimate his expected 1933 harvest in pounds per acre and make note of any lien against the crop, whether held by a landlord, mortgagee, or the United States Government.

These statistics are for the use of local committees in checking and making recommendations on the acceptance of the offers made by individual growers.

The cotton producer, under the contract, offers the Secretary of Agriculture, on behalf of the Government, certain definitely described acres which are

to be a "fair average" of his crop. A skeleton map for convenience in indicating the acres offered for reduction is included in the contract form. The grower also agrees not to use more fertilizer per acre on his remaining cotton acreage than he used in 1932, unless the fertilizer applications have been made "prior to the signing of this offer."

Quite definite and material "considerations" are offered the grower for reducing his acreage. Under one of two alternate plans, he will receive a cash payment on each acre of land retired from production of cotton, the rate of payment being based on the productivity of the land; and he will also be offered options at six cents a pound on an amount of Government-held cotton which will equal the estimated production on his retired acres. Under the other plan, he will receive a somewhat higher cash payment on each acre of land he takes out of cotton production, without the option privilege.

In addition, the cotton producer will be in position to utilize the acres retired from cotton for other crops, for under the contract he reserves the right to plant such acreage "providing the same is planted solely for the production of soil-improvement or erosion-preventing crops or food or feed crops for home use."

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 21 1934
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 18
(Special cotton story)

MUST FACE FACTS OF COTTON SURPLUS

Two major facts must be kept constantly in mind by the cotton farmer who debates whether he will cooperate with the Government in reducing his acreage this season. These two facts, reduced to their simplest terms, are these: (1) Present indications point to a carryover on August 1, 1933, of at least 12 million bales of American cotton, and (2) prospects are that this year's crop will be at least average in acreage and yield, unless reduction control measures are carried out.

Officials charged with carrying out the responsibilities of the Agricultural Adjustment Act say there is no escaping the effects of these vital facts. They say further that the present carryover is nearly equal to the amount of cotton consumed in a year at the present rate of consumption. This means that very little cotton would need to be produced this season to meet requirements. Yet more fertilizer has been used this season. Apparently more land has been planted to cotton. The crop is up to a good stand and is enjoying a favorable growing season to date.

Suppose the crop is about average, or around 14 million bales. It takes only the simplest kind of figuring to add 12 million and 14 million together and arrive at the figure of 26 million. If there are 26 million bales of American cotton on hand this fall, the grower can arrive at his own conclusions as to how prosperous he will be when his crop is marketed. It would be impossible to consume the bulk of that supply within a year. The greatest yearly consumption of American cotton on record was slightly below 16 million bales in 1926-27. In the meantime, another crop will be planted and produced, and the surplus which is breaking the wearying back of the southern cotton grower will not be relieved.

Surplus piled upon surplus cannot relieve the existing conditions. A reduction in the acreage will help to do this, and the Government plans to make it worth the while of the grower to cooperate in this. Heretofore, reduction in acreage has been done by the patriotic farmer in an effort to better conditions for himself and his neighbor. The usual result was that the man doing this suffered because the other fellow expanded production and thus cancelled any benefits that would have come from individual reduction.

Under the provisions of the Agricultural Adjustment Act, the person who reduces his crop will share in the profits.

For some years now farmers have asked that the Government do something to relieve the agricultural situation. The Agricultural Adjustment Act is the answer to this request. Yet it is not something that will be forced upon a people. Its successful operation will require a partnership in cooperation. On the one hand, the Government offers its powerful resources to aid the cotton grower in obtaining a fair price for his staple. On the other hand, the grower is asked to help remove the existing surplus of this staple by growing less cotton, and since he has already planted a large acreage, to remove some of his present acreage from production.

Those in charge of administering the Agricultural Adjustment Act believe that some three million bales should be removed from production this season. This means that some 10,000,000 acres must be retired from cotton production. To accomplish this, every grower of cotton is expected to share in the reduction.

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

RECEIVED

WEEKLY NEWS SERIES, No. 19
(Special cotton story)

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

TYPICAL CASE SHOWS COTTON PLAN DETAIL

Just how the Agricultural Adjustment Administration's plan for reducing the acreage of the 1933 cotton crop will bring compensating benefit payments to the farmers of the South who decide to cooperate in the program is shown clearly by discussion of a representative case.

A "typical" farmer, taken for the illustration, has 30 acres in his present crop, and his yield per acre has been estimated and accepted at 150 pounds for purposes of figuring benefit payments. He contracts with the Secretary of Agriculture to take one-third, or ten acres, of the crop out of production. Similarly, thousands of other farmers sign contracts for a sufficient amount of acreage, and the Secretary declares the plan operative.

This "typical" farmer has decided to accept the plan of straight cash payments, after considering the two plans offered by the Secretary. Under this plan he will receive a cash payment of $11 an acre on his 150 pound land, when he makes the required reductions. This gives him a total cash payment of $110 for the 10 acres he retires from production. He selected this plan because it gives him a higher cash payment which he can use immediately to buy necessities.

If this "typical" farmer chose to accept the second or "combination" plan, under which he receives a cash payment on the acres he retires from production and also has the right to buy Government-held cotton at 6 cents a pound in an amount equal to the estimated production on the acres taken out of production, he would receive a lower cash payment per acre. These payments, at $8 an acre on his 150 acre land, would total $80 for the ten acres, paid when his claim that he has taken the acres out of production has been approved.

The Government-held cotton which he may buy under this "combination" plan at 6 cents a pound in a maximum quantity of 1,500 pounds (his estimated production on the 10 acres) would net him 3 cents a pound if he sold it at 9 cents, a figure near the present market. This transaction would give him an additional $45. If the price of cotton at the time he exercises the option should be less than 9 cents a pound, his compensation as a result of taking up the option would be correspondingly less.

The acreage benefit payments will be made as soon as possible upon proof that the farmer has taken the acres out of cotton production. He will be saved all further labor and expense in caring for, picking, and marketing this portion of his crop; and he will run no risk of "crop failure" on the retired 10 acres. In addition, he will be able to utilize the retired acres for the planting of soil-improvement or erosion-preventing crops or food or feed crops for home use.

Acreage payments for farmers will vary according to the productivity of the land, ranging from $6 an acre on yields of from 100 to 124 pounds to the acre, up to a maximum of $12 for land yielding 275 pounds or more, under the combination plan which also provides the option privilege. Acre benefits would range from $7 an acre to $20 an acre on the same yield basis, under the plan which does not include the options.

#####

RESERVE
1.9
In31We

Missing: 20

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

WEEKLY NEWS SERIES, No. 21

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

TAKE STEPS TO FORM LOCAL WHEAT GROUPS

Local wheat growers production control associations, which will be organized soon under the plans of the Agricultural Adjustment Administration, will provide the individual farmer his direct contact with the wheat administration.

Preliminary neighborhood meetings, based on school districts, voting districts, townships, or other local units, will offer opportunity for every farmer to sign applications for participation in the reduction program, with its compensating payments. These meetings will be called by county agricultural agents or by men especially appointed to direct the organization work in sections not at present served by county agents.

Representatives elected at each of these local meetings by the farmers who decide to cooperate with the reduction program will constitute the board of directors of the county wheat control association, the organization of participating farmers which will direct local application of the wheat plan. This board of directors, or control board, will in turn elect officers, including a president, vice-president, and secretary. The secretary will usually be the county agricultural agent or other man in direct charge of the organization features.

An executive committee of three, with the president of the county board of directors serving as chairman, will then be elected by the board of directors. This executive committee will function as the allotment committee for the county, representing the entire county adjustment association in dealing with the State and Federal wheat administrations and in checking and passing on local matters of administration. The county allotment committee will be the fundamentally important administrative unit in the whole plan for applying the wheat reduction program.

The exact procedure for organizing the county units will vary in the different States and districts. The organizations will be self-governing. The farmer who wishes information on the wheat plan before he is reached by the local organization work, can get this by communicating with his local county agricultural agent or with his State director of extension work.

31 We

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

LIBRARY
RECEIVED
MAY 5 1934
U.S. Department of Agriculture

RELEASE: Immediate.
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES, No. 22
(Special wheat story)

PLAN DOES NOT STOP SALES OF ANY WHEAT

Farmers who are thinking of signing up under the wheat adjustment program of the Government may market their grain at any time and in any way they choose and still be eligible for the compensation payments, M.L. Wilson, chief of the wheat production section of the Agricultural Adjustment Administration says.

The Administration is offering adjustment payments on the 1933, 1934, and 1935 crops to farmers who will contract to reduce their acreage in 1934 and 1935. The amount of the adjustment payment, to be announced later, will be approximately the difference between the current market price and the parity price on the pre-war basis. It will be offered on the proportion of each farmer's past average production which is normally consumed domestically as human food.

The exact amount of acreage reduction will be determined soon by the Secretary of Agriculture, but it will be not more than 20 per cent of the farmer's average production for a past period, probably the three years 1930 to 1932.

Many farmers are reported to have the impression that if they hold old wheat they have stored, or hold back on marketing the 1933 crop, they can get more adjustment payments than otherwise. This is incorrect, Mr. Wilson says. The wheat adjustment plan has nothing to do with the marketing of wheat. Payments will be made to farmers who participate in the plan, regardless of when they market their crop.

Mr. Wilson points out that, under the wheat plan, it is necessary for a farmer to agree to reduce acreage and to come in on the plan, in order to be eligible for adjustment payments. Payments on the 1933 allotment will be made in two parts, two-thirds this fall and the remainder next spring.

7094

#####

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

LIBRARY
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
WEEKLY NEWS SERIES, No. 23
DISTRIBUTION: EXCLUSIVE to State extension editors.

9
A31We

SAY WHEAT PLAN TO PAY ITS OWN COSTS

The Government plan for reducing wheat production, details of which are now being placed before wheat growers, will largely pay its own way in both operating expenses and in compensation payments to be made to farmers who participate in the reduction program. This is in line with the announced policy that the "wheat plan" should be financially self-supporting, rather than a drain upon the federal treasury.

Much of the responsibility for administering the plan will rest with county allotment associations made up of the farmers who participate in the program, and the costs of operating these associations will be paid by the members themselves, each paying according to his individual number of bushels handled in the allotment. It is estimated that these local administration expenses will not cost the participating farmers in most wheat territory more than 2 cents a bushel on their allotments. This per bushel cost would probably be lower in counties of heavy wheat production, and possibly somewhat higher in some counties of lesser production.

Cash compensations to farmers for retiring acreage from wheat production, first payments on which will be made this fall, are estimated to total from $100,000,000 to $150,000,000. This money will come, at first, from funds appropriated by Congress for the purpose, but the wheat adjustment plan calls for this to be paid back to the Treasury out of the receipts from processing taxes to be paid on wheat milled.

While part of the tax may be passed on to the consumer, in the form of higher bread prices, Secretary of Agriculture Henry A. Wallace has pointed out that the full processing tax, levied on the basis of present market prices, would not increase the cost of a loaf of bread by more than about one-half cent. The Secretary is empowered under the Adjustment Act to take steps to prevent possible attempts to boost bread prices unfairly as a result of the processing tax. It is also felt that slack can be taken up in distribution costs, narrowing the spread between the price the producer receives and the price the consumer pays.

7095

###

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 24
(Special wheat story)

.9
A31We

RETIRED WHEAT ACRES OFFER NEW CROP USES

Land which is withdrawn from surplus production of wheat by farmers who cooperate in the Agricultural Adjustment Administration's program of reduction may be planted to other crops, as long as such crops do not contribute to existing surpluses.

A chance to improve and take care of millions of acres of abused, depleted and eroded land is seen by administrators of the Adjustment Act in the fact that acres retired from surplus production may be seeded to sweet clover or other legumes or to grass. These crops will improve the soil and prevent or check soil erosion.

Farmers may also utilize the retired wheat acres for the production of food or feed crops for their own use.

Under the plans that have been made for the administration of the Adjustment Act, several million acres will be taken out of surplus crop production, the bulk of this being retired from wheat and cotton acreage. The percentage of reduction under the general plan varies, but it will be not more and probably less than 20 per cent of the present acreage in the case of wheat.

Farmers who participate in the reduction program, under the plan, will receive compensating adjustment payments. They will have something definite in the way of cash to gain, and at the same time can be giving part of their land a change and rest that will improve it.

########

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 21 1934
U. S. Department of Agriculture

RELEASE: For week of July 3, 1933. WEEKLY NEWS SERIES, No. 25.
DISTRIBUTION: EXCLUSIVE to State extension editors (Special cotton story)

9
31 We

HAVE CROP INSPECTED BEFORE REDUCING ACREAGE

Cotton growers who have signed contracts offering to take out a part of their crop from production this season should keep in mind that the acreage so offered must be inspected by the local committee before the crop is removed.

When the Secretary of Agriculture declares the plan operative and authorizes the contraction of acreage, the grower will then proceed to remove the amount offered from production, after which the local committee will again inspect the acreage and certify that the cotton has been removed according to agreement and that the grower is entitled to his rental benefit.

"I feel it is important to make this announcement for the reason that some growers may proceed to destroy their crop immediately after signing a contract and before the acreage has been inspected and certified to by the local committee," says Cully A. Cobb in charge of the cotton production phase of the Agricultural Adjustment Administration.

Mr. Cobb also pointed out that it is extremely important that all claims for acre production of cotton be kept at a conservative figure.

"We know of course that many of those who were the first to sign the contracts are among some of our best and most progressive farmers," he said. "Naturally these men use good seed; rotate their crops; fertilize rather heavily, and, otherwise use their skill to produce high acre yields. They would be loath to offer this acreage at too great a sacrifice to themselves. However, there are many acres of cotton which we know will not yield so heavily and, in all cases, the grower should plan to play fair with his government. To do otherwise might defeat the whole plan."

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 21 1933
U. S. Department of Agriculture

RELEASE: For week of July 3, 1933.
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERVICE, No. 86.
(Special cotton story)

9
231We

REACH LAST MAN WITH COTTON CONTRACT

Reach the very last man, Cully A. Cobb today asked the combined force of agricultural extension workers and local farmers who are engaged in presenting acreage reduction contracts to the cotton growers of the South.

"If we are to remove ten or more million acres of cotton out of cultivation in the present campaign we must have between 70 and 80 percent of all the growers sign acreage reduction contracts," Mr. Cobb said. "If many farmers stay out of the plan, its purposes will be defeated. In fact, I would say that no thoughful farmer would want to stay out if he weighed the consequences of his action and considered the future of his community. We must begin to remove some of the surplus cotton now in existence and start a sensible program of balanced production for the future. We are making a start and our success depends entirely and definitely on the grower himself."

As head of the cotton production division of the Agricultural Adjustment Administration, Mr. Cobb is charged with obtaining the cooperation of cotton growers in helping them to help themselves in the present situation. The Government has made the growers a business proposition agreeing to pay cash benefits to those who will cooperate. Mr. Cobb urges every local committee in every cotton county to follow through conscientiously until each grower has had the opportunity to sign a contract. The offer has not been made to any certain selected group but to all who grow the staple.

"Every cotton farmer has the right to share in the cash benefits which the Secretary of Agriculture is authorized to pay," he said.

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 21 1934 ★
U.S. Department of Agriculture

RELEASE: For week of July 3, 1933
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 27.
(Special wheat story)

9
31We

URGES WHEAT GROWERS TO ADJUST PRODUCTION

"Even if Mother Nature hits us next year as she has this, we still will have more total wheat than we can consume in the United States" said Secretary of Agriculture Wallace at Salina, Kan., recently in speaking of the wheat surplus problem and of the Government's wheat adjustment program. This program seeks permanent aid for the farmers by bringing supplies into line with effective demand, the Secretary pointed out. He warned his audience of Southwest wheat growers against the threat of even a normal 1934 wheat crop to improved farm purchasing power.

"A year from now we may be facing the prospect of a wheat crop 300 million bushels in excess of the present crop unless we all cooperate this fall and next spring to make the necessary adjustments," the Secretary said.

The Government's program offers growers sufficient adjustment payments to bring the buying power of the proportion of the wheat crop that is consumed as human food in the United States up to that of the pre-war period. The payments are offered on the 1933, 1934, and 1935 crops in return for contracts to reduce acreage in the 1934 and 1935 crops. A processing tax which has been imposed on the milling of wheat will provide the funds for the plan.

M. L. Wilson, chief of the wheat production section of the Agricultural Adjustment Administration says that as far as can be told now, there will still be a substantial carryover of wheat in the United States on July 1, 1934. Even if only an average crop is grown next year, the surplus problem will still then be acute, he says.

"We must remember that the export market which used to take our surplus wheat, almost regardless of how much we had, is practically gone. Our present carryover is more than 350 million bushels. Our average crop for the last five years has been 844 million bushels. Each year we consume about 625 million bushels for food, feed, seed, and miscellaneous. In the last 12 months we exported about 35 million bushels. Now, if we assume the possibility of exporting in the next 12 months 50 million bushels, and if we also assume a crop this year as low as 550 million bushels it would be necessary to dig into the surplus to the extent of about 125 million bushels. This would still leave a July 1, 1934 carryover of about 225 million bushels, which would still be double the normal carryover. It is, however, too much to expect another crop failure next year. A less than average crop of 800 million bushels would then bring our surplus on July 1, 1935, to near the point it is now."

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: For week of July 3, 1933 WEEKLY NEWS SERIES, No. 28.
DISTRIBUTION: EXCLUSIVE to State extension editors (Special wheat story)

9
31We

ALL WHEAT GROWERS CAN SHARE BENEFITS

A national adjustment plan administered in the interest of the 1,200,000 wheat growers of the United States as a whole and not in the interest of any special area or areas is what M. L. Wilson, chief of the wheat production section of the Agricultural Adjustment Administration sees in the Department's plan to aid wheat growers in effecting necessary production adjustments.

The purpose of the plan, Mr. Wilson says, is to benefit the wheat growers of this country, put the wheat industry on a paying basis for all the farmers, and to give them as fully as possible the economic and social benefits contemplated in the Act. To do this the total supply of wheat must be cut down to meet demand; farmers cannot lose sight of this fact. The cut will be made voluntarily in each region, State, and by each individual farmer. And the government will make it profitable for the farmer to make this cut. In order that the reduction will be as nearly as possible in proportion to the amount usually produced the government will make the compensatory payments on the average production for the last three years to each farmer who voluntarily contracts to reduce his wheat acreage in 1934 and 1935 by the required amount up to 20 percent of his total acreage.

In addition to the compensatory payments for the reduced production of wheat farmers will surely benefit by the improved position of the industry. To maintain any improvements in the price of wheat, wheat farmers must unite now in reducing the tremendous oversupply.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: For week of July 3, 1933
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 29.
(Special wheat story)

9
31 We

LEADERS URGE CUTTING WHEAT REDUCTION COSTS

Agricultural leaders at the regional wheat adjustment meetings held recently at Kansas City, Mo., and Spokane, Wash., urged that the Agricultural Adjustment Administration work out some method whereby farmers in counties which grow comparatively little wheat can organize on a sufficiently economical basis to make it worthwhile to come in under the plan. Operation costs of local adjustment associations in the heavy wheat producing areas are expected to be relatively small per bushel, but in counties where production is less than 200,000 bushels there has been an impression that the costs of a county organization might be in some cases so high as to make it unprofitable for farmers to enter the plan. County operation costs are to be paid by the wheat farmers in each county receiving adjustment payments.

The government's program consists of offering farmers adjustment payments sufficient to bring the buying power of the part of their 1933, 1934, and 1935 crops that is domestically consumed as human food up to the pre-war level, in return for agreeing to reduce acreage in 1934 and 1935 crops by 20 percent or less of their average past production. A processing tax of 30 cents a bushel on the milling of wheat effective July 9, has been levied to produce the needed funds.

The sentiment at the conferences strongly favored organizing the wheat adjustment associations in less productive counties in a way which would make it possible for all farmers growing wheat to benefit by the plan.

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

WEEKLY NEWS SERIES, NO. 30
(Special tobacco story)

RELEASE: Immediate.
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

5/31 We

AGREEMENTS SOON AVAILABLE FOR CIGAR-LEAF ACREAGE REDUCTION

Agreements to bring about a 50 percent reduction in cigar-leaf tobacco acreage in 1933 below that grown in 1932, and providing compensating payments for growers who adopt these agreements are being printed in Washington for early distribution to cigar-leaf growers in the New England, Pennsylvania-New York, Ohio-Indiana, Wisconsin-Minnesota, and Georgia-Florida districts by the Agricultural Adjustment Administration of the Department of Agriculture. Detailed instructions and information pertaining to the cigar-leaf tobacco production adjustment plan are also being prepared and will be sent to State and county extension workers and others who will present the plan to growers.

The cigar-leaf plan is being fully explained at local meetings of growers. Additional meetings are being scheduled in every cigar-leaf district.

"This plan makes it possible for growers in all cigar-leaf districts to join one concerted movement to reduce production," says John B. Hutson, acting chief of the tobacco section of the Adjustment Administration.

"Under this plan the men who make the necessary reductions in acreage and production of cigar-leaf tobacco for market will be compensated through the Agricultural Adjustment Administration. We believe we have been generous enough in the proposed payments to make it worthwhile for all growers to sign agreements. It is our well-considered conclusion that growers who reduce their acreage one-half and qualify under the plan will have more dollars, net, than those who do not make the reduction."

Mr. Hutson and other officials of the Adjustment Administration explained that the necessity for reducing the cigar-leaf tobacco crop this year to 50 per-

cent of last year's crop lies in the fact that for several years growers have been producing more cigar-leaf tobacco than was being consumed in the form of cigars. For twelve years the consumption of cigars has been falling off, and during the past four years the decrease has been very great.

It was pointed out that while growers have reduced acreage to some extent, they have not made the reductions necessary to keep the cigar-leaf tobacco supply in line with the declining consumption. As a result, stocks of cigar-leaf tobacco have kept piling up while prices suffered drastic declines. The Adjustment Administration has been informed that in most districts a majority of the growers are still holding their 1932 crops and that many growers have crops of earlier years.

The program for cigar-leaf tobacco was drawn up by the Adjustment Administration after extended conferences with cigar-leaf growers and their representatives and manufacturers. In drawing up the plan the thought was to arrive at a program which would be fair to cigar tobacco growers in each district, and fair as between the different districts.

At the same time that agreements are being offered to cigar-leaf growers, the Adjustment Administration is proceeding with preliminary surveys of the situations of other types of tobacco to determine the need for production adjustment programs for their growers.

"The plan decided upon for each tobacco type will be the plan we find best suited to the requirements of that type and the one that can be used most effectively to bring about the necessary results - a price improvement that will make a given quantity of tobacco buy on the average as many manufactured products as the same quantity of tobacco bought during the years 1919-1928," states Mr. Hutson.

7127

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 31 1934
U. S. Department of Agriculture

RELEASE: IMMEDIATE.
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

WEEKLY NEWS SERIES, NO. 31
(Special tobacco story)

9 31 We

CIGAR-LEAF PLAN RECOGNIZES FARM ADJUSTMENTS

That the cigar-leaf production adjustment plan aims to improve the condition of growers with as little disturbance as possible to individual farm business set-ups, was brought out today by J. B. Hutson, acting chief of the tobacco section of the Agricultural Adjustment Administration.

During the last few years, many cigar-leaf tobacco growers have been compelled to effect reorganizations in their farm businesses because of low prices of tobacco. These growers, Mr. Hutson said, have shifted cigar-leaf tobacco land to other types of production in an effort to maintain farm incomes. Mr. Hutson pointed out that it was necessary that these growers be offered a plan which would not disturb greatly the farm organization they have been forced to establish during the last few years of declining cigar-leaf tobacco consumption and declining prices.

With this in mind, those working on the cigar-leaf tobacco plan have established a means of determining the acreage from which growers will make the necessary reductions this year. The acreage so established is known as the "base acreage." Each grower will be given an opportunity to determine his base acreage according to one of the following methods:

(a) Eighty per cent of the average acreage of cigar-leaf tobacco planted on his farm in 1931 and 1932, or

(b) The acreage planted in 1932, provided it was not greater than that planted in 1931, or

(c) The average acreage of cigar-leaf tobacco planted on his farm in 1931 and 1932, provided more was planted in 1932 than in 1931.

If a farmer grew 20 acres of cigar-leaf tobacco in 1931 and 10 acres in 1932, his base acreage would be 12 acres according to (a) above, or if he determined his base acreage from (b) above, he would have as a base acreage 10 acres. Since he did not increase his tobacco acreage in 1932, choice (c) above, would not apply to this grower.

A casual examination of the problem might suggest that the farmer would want to select the highest base acreage possible since his cash payments from the Agricultural Adjustment Administration would be larger, increasing as the base acreage is increased. However, if the farmer has other enterprises already established on his farm to displace a portion of his tobacco, he might find it advisable to select the lowest base acreage possible, Mr. Hutson explained. In this case the amount the farmer received for making his acreage reduction would be smaller but the amount he would receive from the other enterprises might be larger. For this farmer a high base acreage would result in more land taken out of production and consequently reduce his farm income.

Without some leeway permitting the farmer to select either a high or low base acreage in keeping with individual farm businesses, considerable disturbance in a grower's farm organization would result, Mr. Hutson said.

From the above it may readily be seen that the farmer is given leeway to select a base acreage to fit his requirements, Mr. Hutson said. The grower is given the opportunity to decide upon a base acreage in keeping with what farm business reorganizations he has already effected and in keeping with plans he may have for further farm business adjustments.

Once a grower decides upon a base acreage, the 50 per cent reduction agreed must be made from that base. For making the reduction required under the terms of the cigar-leaf tobacco production adjustment agreement, each grower will be compensated for every acre of the reduction through the Secretary of Agriculture.

4 WK
31

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 31 1934
U.S. Department of Agriculture

RELEASE: IMMEDIATE
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 32
(Special cotton story)

FARM HOME CONCERNED IN REDUCTION CAMPAIGN

It is not the farmer alone who is concerned with the success of the present plan to reduce the cotton acreage of the South.

The entire household has an interest in whether the staple crop of the cotton belt is to be profitable or not. The plan of the administration to pay straight cash rentals or option-rentals to growers for removing a certain part of their acreage out of production means that the present crop will be reduced in acreage and the overhanging surplus will be partially removed. This can result only in benefit to the grower.

For the housewife it means that additional money will be available for much needed labor-saving implements, for clothing and shoes for the children, for school books, better balanced food and other necessities.

Federal and State workers in charge of the reduction program urge the wives of farmers to take an active interest in the present campaign and promote it wherever the adoption of the plan seems wise under local and individual farm conditions. The success of the movement is assured only by the full cooperation of every single grower in the belt. Each grower has the right to share in the benefits offered and each grower who refuses to have a part in the movement is not only depriving his own family of a rightful share in these benefits but he is also making it difficult for the Agricultural Adjustment Administration to bring about better conditions on cotton farms of the entire South.

"This is one view point that all of us should concern ourselves about," says Cully A. Cobb, in charge of the reduction program.

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 31 1934
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES, No. 33
(Special cotton story)

1.9
A31We

FEED NEEDED ON SOUTHERN FARMS

Considerable progress has been made during the past few years in producing the feedstuffs needed on Southern cotton farms but many farms yet fail to produce adequate amounts.

Livestock owners have found by experience that during the latter part of the summer and early fall, it pays to have supplementary grazing crops on which to place both the work animals and other stock as the permanent pastures become dry and parched. Those who have planted such crops as Sudan grass, soybeans, or cowpeas to be used as supplementary grazing crops have felt that they were amply repaid for their foresight. Others plant such crops for hay thus adding to the winter feed supply.

Those in charge of the present campaign to reduce the acreage of cotton in the South, feel that where cotton is removed from production this season, the land thus released could be put to no better use than to supplement the present feed supply. Where temporary grazing crops are not needed, the land might be kept fallow and planted to small grain, Austrian winter peas, vetch or other adapted winter-growing crops.

"In no instance will the land removed from cotton production be a loss to the grower," says Cully A. Cobb, in charge of the cotton reduction movement. "Some will use a part of the acreage for late vegetables. Others will seek to control soil washing or erosion; many will improve their soil by planting legumes for turning under, and still others will need the land to produce food and feed crops for man and beast. Therefore, we are asking every cotton farmer to cooperate in the reduction movement and to utilize the land as his common sense dictates to be best."

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U.S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State Extension editors.

WEEKLY NEWS SERVICE, No. 34
(Special wheat story)

9
31We

EACH GROWER ASKED TO GET WHEAT RECORDS

By compiling records now on how much wheat they planted and produced in the last three years, farmers can speed up the Government's adjustment program, _____,in charge of the program here says.
(Name of County Agent).

M. L. Wilson, chief of the wheat production section of the Agricultural Adjustment Administration, says past production records of each farmer are needed to determine the allotment of each. He suggests that wheat farmers get the following information ready now:

Number of bushels grown each year from 1930 to 1932.

Number of acres of wheat planted for the crop of each of these years.

All that is needed is the total number of bushels of wheat grown on each farm. It all counts in a farmer's total production for the purpose of the wheat program, whether it has been spring, winter, or durum wheat. If a farmer has moved from one farm to another in the three-year period, he should make a separate record of the wheat grown on each farm. If he has operated more than one farm, he should also have the information for each of them. By using elevator, freight, threshing, or bank deposit records, the Administration believes that each farmer can get accurate estimates.

Each farmer will later be asked for the records on past production and number of acres planted to wheat in the last three years. The county association will use these to determine each farmer's allotment. Figures turned in by each farmer are to be published in the local press.

Wilson emphasizes that the allotment to each county is computed from official records at Washington, D. C., and is all the county can get. It is up to the farmers, through their county association, to divide it fairly among themselves.

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES, No. 35
(Special wheat story)

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U.S. DEPARTMENT OF AGRICULTURE

REVIVE OLD "GAME" ON WHEAT FARMERS

The old game of "making out the papers" has been revived in the wheat belt. Unauthorized promoters are offering to help farmers apply for benefits under the Government's wheat adjustment program and are asking 10 percent commission for the work. No farmer has to pay anybody for help in making his application, M. L. Wilson, chief of the wheat production section of the Agricultural Adjustment Administration in Washington says. The organization of farmers in each county will be in charge of the county agent, or an agent appointed temporarily for each county. There will be plenty of time for farmers to get full information from these men. They will be given plenty of notice when the time comes to apply and also will be given all the help they need, without charge.

In Kansas, where the racket has been discovered, persons have been reported as inducing farmers to sign an agreement promising to pay a commission of 10 percent of their adjustment payment in return for assistance in making the application for the benefit when they are ready.

The Government warns farmers against paying anybody for help in making their applications and suggests reporting persons with such propositions to the county agent. Farmers can get all information necessary for the wheat plan from their county agent or the agent temporarily appointed for the wheat program.

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 31 1934
U. S. Department of Agriculture

RELEASE: IMMEDIATE
DISTRIBUTION: EXCLUSIVE to State
Extension Editors

WEEKLY NEWS SERIES, No. 36
(Special wheat story)

9
n31We

WHEAT PROGRAM IS REAL NATIONAL PLAN

The plan for wheat production adjustment, details of which will be explained to farmers of the country during the next few weeks, is distinctly a national plan, worked out with the needs of America's 1,200,000 wheat growers as a whole in mind.

Local conditions in the various wheat growing sections of the country vary somewhat in detail, but the Agricultural Adjustment Administration's general wheat program has been designed to meet the best possible average of national conditions.

Base periods upon which production averages will be determined, both for States and counties and for the individual grower, will naturally affect certain local sections somewhat differently than others. The periods selected, however, have been considered carefully to strike the best possible national average.

State and county yield averages are to be based upon production records for the five-year period from 1928 through 1932, inclusive; while averages for individual growers will be based upon yields for the three-year period from 1930 through 1932, inclusive. It is upon these averages that the "allotments" for States, counties, and individual farmers will be determined. These allotments, upon which the compensation payments will be based, will be the proportion of the average production for the base period which corresponds to the proportion of the national wheat crop which is used domestically for human consumption -- something less than five-eighths.

Production reductions, which may be required for the 1934 and 1935 crop years of growers who participate in the compensation benefits of the wheat plan, will be in terms of acres, based upon the average seeded acreage of each grower for the period from 1930 through 1932. This reduction, which will not exceed 20 per cent and may be less, will be determined by the Secretary of Agriculture after careful consideration of the entire wheat situation, according to M. L. Wilson, chief of the wheat production administration.

7139 (7-8-33)

######

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 21 1934 ★
U.S. Department of Agriculture

RELEASE: IMMEDIATE.
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

WEEKLY NEWS SERIES, NO. 37
(Special wheat story)

9
n31 We

SAY LOCAL COSTS OF WHEAT PLAN NOT HIGH

That the cost of local administration in putting the national wheat reduction program into effect will not be excessive in most wheat districts is indicated by estimates prepared by the Agricultural Adjustment Administration.

Operating expenses for county wheat control associations will be carried by the participating farmers themselves, under the announced policy of the wheat plan, and some growers have expressed fear that these costs might prove to be prohibitive.

Carefully prepared estimates place the local expense at two cents a bushel or less for the wheat handled under the allotments in a county of average or better than average total production. This would mean, in practical operation, that each wheat grower would have to deduct this amount from his net compensation returns for cooperating in the reduction program.

"The cost of the county control associations will naturally be less per bushel where the larger volumes of wheat are handled", says M. L. Wilson, chief of the wheat production section, in commenting on the local expense estimates. "With fewer growers and smaller wheat totals, the pro rata cost of the associations will tend to increase. In counties of light wheat production, possibly less than 100,000 bushels, farmers may find that it is not advisable to organize a county association.

"Farmers in these 'light production' districts might be organized into district associations which would cover more than one county, or they might be able to come in through associations in neighboring counties. This is a national program, and every wheat grower must be given the chance to participate if he wants to. The cost will inevitably be higher for growers in scattered wheat country, and these will have to decide for themselves whether or not the expense will be great enough to offset the benefits of participation."

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

WEEKLY NEWS SERIES, NO. 38
(Special milk story)

.9
A31We

RELEASE: IMMEDIATE.
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

MILK HANDLERS TO BE LICENSED UNDER ACT

To insure uniformity of milk prices and distributive practices within a specified area, all processors and distributors of milk in that area, both wholesale and retail, are to be licensed under the provisions of the Agricultural Adjustment Act.

Licensing is to be done at the time a marketing agreement for milk becomes effective for any specified area in which the processors and distributors operate. Decision to license milk processors and distributors was made by Secretary Henry A. Wallace and Administrators George N. Peek and Charles J. Brand on July 13. Milk is the first commodity upon which such a decision has been made.

License provisions are extended to all processors and distributors of milk in the specified area, whether they are parties to the agreement or not or whether members of their trade association or not, and without making application. The licensing is handled in accordance with the provisions of the Act.

Terms of the Market Plan under which licenses are issued are determined through formal hearings on marketing agreements submitted by groups of processors, associations of producers, and others engaged in the handling and distribution of milk. After the formal hearing has been held and the agreement has been approved and executed by the Secretary and the parties proposing it, it will become effective upon a date specified in the agreement.

Formal hearings on proposed marketing agreements have been held for Chicago, Atlanta, Philadelphia, Detroit, Evansville, Indiana, Los Angeles, San Diego County, San Francisco and Oakland. Proposed marketing agreements thus far listed for hearing are Kansas City July 18, Baltimore July 20, St. Paul and Minneapolis July 24, and Boston July 24. Charlotte, North Carolina, will soon have a hearing also.

United States Department of Agriculture, Office of Information, Press Service
Washington,D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: For week of July 17, 1933.
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 39
(Special Corn-Hog Story)

9
n31We

CORN-HOG CONTROL ASKED BY GROWERS

Corn and hog producers are now formulating plans by which they can obtain the benefits of the Agricultural Adjustment Act. Producers in ten States have been holding meetings during the past week to discuss methods for applying the Agricultural Adjustment Act to corn and hog production.

Suggestions and resolutions adopted by these State conferences were discussed at a national corn-hog producers' conference to be held in Des Moines, Iowa, on July 18. The outline for a national corn-hog adjustment program was developed at this meeting and a national corn-hog producers' committee selected to work with the Agricultural Adjustment Administration on both production problems and trade agreement negotiations.

Although there was variance on suggestions submitted by the State conferences of producers for consideration in development of a national plan, there are some general alternatives on which they are agreed. A reduction in tonnage by paying a premium for light-weight hogs through next year and by tonnage allotments to each farmer on the basis of past production was suggested. The number of hogs might also be reduced by sow allotments on the same basis. It has been suggested that the acreage planted to corn be reduced by corn land rentals, the funds for this purpose to be accumulated from a processing tax on hogs or corn, or both.

About 76 delegates from the States of Ohio, Indiana, Illinois, Missouri, Kansas, Nebraska, South Dakota, Minnesota, Iowa, and Wisconsin attended the Des Moines conference. Representation was based on relative ranking of the respective States in corn and hog production.

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U.S. Department of Agriculture

RELEASE: Weeklies and semi-weeklies
for week of July 17, 1933.
DISTRIBUTION: EXCLUSIVELY to State extension editors

WEEKLY NEWS SERIES NO. 40

9
31We

BASIC FARM EXPORTS SHOW MORE DECLINE

Net Gain in General Products Does Not Hold for Major Agricultural Commodities

Although the export movement for 47 farm products showed a net increase in May over April, shipments of most of the basic agricultural commodities showed further decline, according to the U. S. Department of Agriculture. Wheat and flour exports reached a record low level in May, only 14,000 bushels of wheat being exported as grain, against more than 7,000,000 bushels in May of 1932. Flour exports were about the same as those of a year ago.

Bacon exports were the smallest for that month in 20 years, but lard exports, although small for post-war months, were larger than in May of last year. Appreciation of foreign currencies in terms of dollars since the suspension of gold payments by the United States has improved the position of American lard in foreign markets.

Leaf tobacco exports also reached new low levels for May in the post-war period, as did exports of dairy products. Fruit exports were in line with the May volume in recent years.

Cotton exports in May, however, showed substantial pick-up, the unusually large volume of 627,000 bales being reported for the month. Substantial increases in exports to continental European countries more than offset a slight decrease in exports to Great Britain and a material reduction in exports to Oriental countries.

Only fruit and lard were sent out in greater than pre-war volume in May, the exports of most other farm products being substantially below pre-war figures.

United States Department of Agriculture, Office of Information, Press Service
Washington,D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 41
(Special wheat story)

4.9
Ag 31We

SHORT CROP DOES NOT SOLVE WHEAT PROBLEM

Officials Point Out That One Average Year Without Control Would Restore Old Surplus

"In spite of the shortest wheat crop since 1893, there is every reason for going ahead with the Government plan for wheat control."

This is the answer given by Secretary Henry A. Wallace when asked if reports of an unusually small wheat crop this year would change the Agricultural Adjustment Administration's program for bringing wheat production into line with effective demand by reducing acreage.

That the basic conditions which have depressed wheat in America during recent years are not changed by the temporary relief of one short crop is pointed out by officials of the wheat adjustment plan. Permanent improvement, with a balanced wheat situation, can come only through basic changes in acreage and controlled production over a period of years, in the opinion of those who have made careful study of the wheat problem.

The carryover of wheat in the United States, as of July 1, 1933, is estimated at 360 million bushels. This year's short crop has been placed at about 500 million bushels, giving a total of about 860 million as the supply for the coming year. Disappearance, or consumption for the year, including domestic uses, seed, and possible exports, is figured at about 660 million bushels. This would leave a margin or carryover for next summer of around 200 million bushels, figured conservatively.

An average crop next year, on the basis of normal seeded acreage, would run about 845 million bushels, giving a total supply of a billion bushels or more. This would mean an immediate return of the conditions responsible for the ruinous wheat prices of recent years, with a carryover at least twice normal.

One average crop, in other words, would destroy all the temporary relief possible from this year's small wheat crop. Controlled and reduced production, to bring about a balance between wheat supplies and demand, is held to be essential.

Another factor which should be taken into consideration, according to the wheat control administration, is the danger that present raised prices may have a tendency to stimulate increase in seeded acreage -- unless the production control measure is carried out.

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 21 1934
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES NO. 42
(Special Wheat Story)

9
n31We

WHEAT CAMPAIGN GETS UNDER WAY

The wheat plan, under the Agricultural Adjustment Act, is definitely getting under way this week, with most of the authority and the work of administering it in the hands of the wheat farmers themselves.

During the rest of July and early August, according to M. L. Wilson, chief of wheat production adjustment, meetings will be held in all wheat growing communities in the State. Every wheat farmer is invited. County agricultural or emergency agents, working with temporary campaign committees, will arrange for these meetings, get things started, and handle the educational part of the program.

At these preliminary community meetings the plan will be discussed and explained fully, literature will be distributed, and farmers may apply for a contract. Three men will be elected at these same meetings to make up a community committee. One of these three will be a member of the board of directors of the county wheat production control association, representing his community.

The community committee of three will review the applications for contracts, check the reported acreages and production, and make certification to the wheat administration.

The board of directors of the county association will elect three men to serve as the county allotment committee. This committee will check the application-report blanks, publish the lists in the local newspaper, and complete the contract for the grower to sign. Contracts should be ready to be signed by the latter part of August.

Soon after the middle of September, according to Mr. Wilson, those who have signed contracts with the Secretary of Agriculture to reduce their next plantings according to the requirements, will be paid the first installment of their cash compensation adjustment payment.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES, No. 43
(Special cotton story)

9
n31We

ABLE COMMITTEE MEMBERS SERVED COTTON CAMPAIGN

Able and conscientious service was performed by the local committeemen intrusted with the signing of contracts in the cotton reduction campaign, according to reports reaching Washington from the various cotton growing States.

"Some of these men worked from 16 to 18 hours a day after all preliminary questions had been cleared," Cully A. Cobb, cotton production chief, said: "The reports show further that the committeemen carefully inspected the fields offered and tried to assure the government representatives of securing a fair and average proportion of the cotton being grown. They did not hesitate to reject fields on which the cotton was below average or would produce less than 100 pounds to the acre. It is evident that the county agents selected a group of high class citizens to work in the campaign."

Mr. Cobb said some errors were made in the preparation of contracts and in estimating the yield of cotton, but this was expected in a campaign of such magnitude and intensity. However, with only a few exceptions, the local committees did an excellent job.

Towards the close of the campaign the governmental effort to reduce the cotton surplus grew rapidly in popularity, and those who refused to cooperate began to feel the weight of popular opinion. Had it been possible to continue the work longer, an even larger number of planters would have pledged part of their acreage for reduction purposes. This in itself, said Mr. Cobb, testified to the excellent manner in which the committeemen had attended to their job.

"It is my opinion that these local committeemen will continue their good efforts until all the cotton pledged is removed from production and the campaign is finally closed," he concluded.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediately WEEKLY NEWS SERIES NO. 44
DISTRIBUTION: EXCLUSIVE to State extension editors (Special Cotton Story)

9
n31We

NO PAYMENTS UNTIL COTTON IS REMOVED

Cotton farmers who have tendered acreage reduction offers to the Secretary of Agriculture must remove from cultivation the actual acreage offered in the amount set forth in the contract, when they have been notified individually that the offers have been accepted and the reduction plan is operative. They should not eliminate the crop from the retired acres, however, until their own personal offers are accepted by the government and personal notice to remove the acres is received.

"We would like all growers to keep in mind that the local committeemen who inspected the acreage offered for reduction will again inspect the land after the cotton has been removed. When the local committee certifies that the cotton agreed upon has been removed and this report has been approved by the county committee and the county agents, the rental checks will be distributed promptly," says Cully A. Cobb, in charge of the cotton reduction program for the Agricultural Adjustment Administration.

Mr. Cobb made it clear that no substitutions of acreage could be permitted and that each individual would be required to remove the actual acreage which he agreed to remove when signing the contract. The local committee will make a careful inspection and certify as to this before a payment will be made.

The stage of growth attained by the cotton since the contract was signed or the difference in probable yield taking place between the time of signing and the time of removing the crop from cultivation, will have no bearing on the situation. Neither will the condition of the cotton market or the action of other growers in the neighborhood. The cotton offered must be removed in the amount agreed upon. "When this is done and has been properly certified, the rental benefits will be paid," Cobb said.

7168

# # #

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: Exclusive to State extension editors

WEEKLY NEWS SERIES, No. 45
(Special wheat story)

.9
n31We

GIVE_____COUNTY

WHEAT QUOTA FIGURES

_____ county's wheat production average, upon which the county
(Name of county)
allotment will be based under the Agricultural Adjustment Administration's plan for wheat production adjustment, is_____bushels.
(See attached data)

This figure, which has been determined by the United States Crop Reporting Board, represents the average total annual production of wheat in the county for the five-year period from 1928 through 1932, inclusive.

The county allotment, which is set at____percent of this average production to conform with the percentage of the total national wheat crop which is consumed domestically as human food, totals_____bushels.
(take percentage of average)
This allotment is the maximum total upon which individual compensation payments can be made within the county.

If all wheat growers in the county should decide to "come in" on the wheat reduction program, the total of their domestic allotments would reach approximately the same figure as the county allotment.

The compensation payments will be based upon these individual allotments. The amount of payments which will be made will depend upon the number of wheat growers who take advantage of the opportunity to participate in the wheat program.

# # # # # #

7183

(7-21-33)

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 21 1934 ★
U.S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES NO. 46
(Special Wheat Story)

9
31 We

WHEAT BOOKLET TO GIVE FACT OF PLAN

Rapid progress is reported from Washington in mapping plans for the campaign to explain the Government's wheat adjustment program to 1,200,000 wheat farmers in 1500 counties in 40 states.

Important for the general farmer is the news that a wheat booklet which contains a full explanation of the wheat plan, has gone to the printer and will soon be available through county agents or State extension officials. The wheat campaign plans call for supplying a copy of this booklet to every wheat farmer. Persons who want a copy of this publication should make their requests to their county agent; not to Washington. Copies of the booklet will be sent to the field as soon as they come from the press.

The last few weeks have been a period of great activity in the wheat administration offices in Washington, as the final plans for the educational campaign among farmers have been settled. Many of the decisions reached were based on first-hand information from the wheat regions which M. L. Wilson, chief of the wheat section of the Agricultural Adjustment Administration, gathered on his recent trip through the leading wheat states.

The wheat educational campaign has been carefully organized, and will depend for its success largely upon the cooperation of county and community committees which will be asked to aid. Full information and guidance for the organization work is contained in a handbook for field workers which is being prepared and will be available soon.

Information on the campaign is relayed to States and county agents as rapidly as it develops in Washington, and requests for information should be directed to the local agents.

7186 (7-22-33)

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES NO. 47
(Special wheat story)

9
n31We

TENANTS HAVE RIGHT TO WHEAT PAYMENTS

Growers who planted or produced wheat for the 1933 crop will receive adjustment payments under the Government wheat plan this year, even though they are tenants and move this fall, according to M. L.Wilson, chief of the wheat production section of the Agricultural Adjustment Administration.

"The Administration is beginning a three-year wheat reduction plan," Mr. Wilson says, "The payment this fall is for the 1933 crop. Nature did the reducing this year. The wheat administration will help farmers in the next two years to hold the gains made this year.

"The problem is fairly simple where tenants do not change on a rented farm. The landlord and tenant agree to reduce acreage and the payment is divided between them according to the share each gets of the crop.

"The big problem arises when the tenant is moving from the farm this fall, as some are already planning. Here the payment for 1933 must be between the landlord and the tenant who farmed the land in 1933.

"Suppose a tenant has 320 acres of wheat in 1933. His share is two-thirds of the crop, and his average annual production is 3,200 bushels. The owner decides to farm the land or to change tenants in 1934. He and the new tenant agree to reduce the acreage to 256 acres in 1934, if that reduction is required.

"The total 1933 payment of about $450 will be divided between the owner and the 1933 tenant, with the tenant getting $300 and the landlord $150, paid in fall and spring installments.

"The allotment right is attached to the land and the owner must see that succeeding tenants fulfill the contract. The owner receives his share each year, and the remainder goes to the tenant who owns the crop on which the payment is based. The tenant who farms the land for the 1934 crop will receive his share of such payments as are made on that crop."

7187
(7-22-33)

###

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEW SERIES NO. 48
(General story)

31 We

WHEAT PLAN HAS PROTECTION FOR BREAD CONSUMER

Protection of consumers against unjust increases in bread prices is just as much a part of the Government's wheat program as organizing farmers to bring production under control, Dr. Frederick G. Howe, consumers' counsel of the Agricultural Adjustment Administration, says.

The Agricultural Adjustment Administration which started the machinery for restoring buying power to farmers contains this significant declaration of policy, "To protect the consumers' interest by readjusting farm production at such a level as will not increase the percentage of the consumers' retail expenditures for agricultural commodities returned to the farmer above the percentage returned to the farmer in the pre-war period."

The U. S. Department of Agriculture is ready to fight for the protection of the consumer just as quickly as it is to fight for increased buying power for the farmer. It stands ready to protect the bread consumer by two general methods: by giving wide publicity to justified price increases, and by invoking the law by referring plain cases of law violation to the Department of Justice.

The Department points out that certain price increases are inevitable with rising commodity prices and processing taxes. Secretary Wallace has pointed out, however, that the 30 cent tax on a bushel of wheat should increase bread costs only slightly less than half a cent a pound loaf over May prices; that the rise in the price of wheat should account for only another half cent rise, and that other ingredients such as sugar and dried milk have gone up enough to account for another cost increase of only about a fifth of a cent. In other words, Secretary Wallace says, a pound loaf of bread which sold for six and one half cents in May might sell for eight cents now and not be too high.

The Administration points out that price rises may be effected by decreasing the size of the loaf and not increasing the price. This means greater cost to the consumer, although not as noticeable.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES NO. 49
(Special Tobacco Story)

31 Wr

TOBACCO GROWERS SIGN REDUCTION PACT

Cigar-leaf tobacco growers are this week making a united effort to place their industry once more on a firm basis. In all producing districts, growers are signing agreements with the Agricultural Adjustment Administration to reduce this year's acreage. In return for the fulfillment of these agreements, payments will be made to each grower through the Secretary of Agriculture.

Preliminary reports from the cigar-filler and binder growing districts of New England, Pennsylvania-New York, Ohio-Indiana, and Wisconsin-Minnesota, indicate widespread interest in the program. County agricultural agents and designated local committeemen who have agreements available for growers to sign report a quick response from growers.

J. B. Hutson, acting chief of the tobacco section of the Adjustment Administration, points out that if all cigar-binder and filler growers sign the agreements and make the required acreage reduction, approximately $3,500,000 will be paid to them through the Secretary of Agriculture.

Calling attention to the need for the united effort that farmers are making in adopting agreements to improve the cigar-tobacco growing industry, Mr. Hutson points out that during the last few years the farm value of this tobacco has declined approximately 80 percent. The average annual farm value of all cigar binder and filler tobacco from 1919 to 1928 was about $30,000,000. In 1932 its total farm value fell to less than $7,000,000, and growers still have about half of the crop on their hands.

"The situation has become so serious that we are convinced that the only way to bring about any market improvement in prices is to reduce existing and prospective supplies of this cigar tobacco,"Mr. Hutson says. "This the growers are doing this week by agreeing to reduce this year's cigar-tobacco acreage by about 50 percent. Growers who sign the agreements will have as large or larger returns for their tobacco land than those who do not see fit to take part in the program."

The money required to make payments to growers under the tobacco acreage reduction agreements, will be raised through a processing tax to be levied upon all cigar-leaf tobacco processed for domestic consumption. This tax will be collected from the manufacturers using cigar tobacco. It will become effective at the beginning of the next marketing year, probably October 1 or November 1.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERVICE NO. 50
(Special Sugar Story)

9
31 We

NO RESTRICTIONS ON SUGAR PLANNED

"There will be no restrictions of the present sugar beet crop in the United States," Dr. John Lee Coulter has declared in response to queries whether the American sugar beet farmer and Louisiana cane grower would be restricted this year under the provisions of a tentative basic sugar marketing agreement which has just been submitted to the Secretary of Agriculture.

Dr. Coulter, who has been loaned by the U. S. Tariff Commission to advise the Agricultural Adjustment Administration, has been acting as ex-officio chairman of the Sugar Council Committee. He points out that as sugar is not listed in the farm act as one of the seven basic commodities, there are no provisions for processing taxes or benefit payments.

The tentative agreement is now before Secretary Wallace who is expected to decide shortly whether and when public hearing on the agreement will be held.

According to the best available sources of information there will be available for the continental market during the present crop year, some 7,500,000 short tons of sugar (raw basis) where consumption requirements during the same period in continental United States are conservatively estimated at 6,350,000 short tons raw value.

The proposed market agreement aims to correlate production with consumption and make it possible for the continental American farmers to continue growing beets and cane at a profit, after wages and the prices of other farm commodities have been restored.

"The committee composed of American sugar growers and processors aimed," Dr. Coulter said, "to permit present operating beet factories to continue to operate but to avoid further expansion in keeping with continental sugar requirements as they expand."

The basic quota of 1,525,000 short tons raw value put down for the continental beet areas was put down for the basis of discussion at a public hearing and is based upon all sugar beets planted, allowing for an average abandonment, average yield of beets, and average sugar content.

-----0-----

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES NO. 51
(Special Cotton Story)

1933 COTTON CROP NOW BEING REDUCED

Cotton growers are this week well into the task of eliminating more than 10,000,000 acres of cotton from the 1933 crop, according to reports made to the Agricultural Adjustment Administration. Written acceptances by the Secretary of Agriculture, of offers of cotton growers to lease their land and take it out of production, are being mailed from Washington at the rate of 40,000 per day.

Approximately 950,000 growers have offered land to be leased and taken out of cotton production, according to reports from the field. Some 850,000 such offers are already in the hands of the officials at Washington.

Emergency permits to plow up cotton and put the land into erosion-preventing and soil-improving crops are being issued by county agents to growers whose offers have not yet been accepted. Proof that the cotton has actually been removed from the land will be required before cash payments are made to the growers. Certificates of performance covering this proof have been placed in the hands of county agents in the cotton counties.

The first checks will be sent to growers when the required performance certificates are received by the Department of Agriculture.

-----0-----

LIBRARY
BUREAU OF
AGRICULTURAL ECONOMICS
U. S. DEPARTMENT OF AGRICULTURE

7209
(7-27-33)

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 31 1934
U. S. Department of Agriculture

WEEKLY NEWS SERVICE NO. 52
(Special Dairy Story)

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

9
31We

DAIRY AGREEMENTS WAIT SIGNING OF CHICAGO PACT

Immediate developments in the Dairy Section of the Agricultural Adjustment Administration, under the direction of Dr. Clyde L. King, hinge upon the Secretary's approval and signing of the Chicago milk marketing agreement and the issuance of milk regulations and general licenses to distributors in the area. This forerunner of a series of similar milk-shed agreements now on file will, when completed, be widely observed inasmuch as its license feature is important and because the production of fluid milk in the Chicago metropolitan area by about 18,000 producers is estimated to be about 2 percent of all the fluid milk sales from farms in the country.

Milk sheds whose producers and distributors have submitted tentative marketing agreements upon which official hearings under the Act have been completed are: Atlanta, Philadelphia, Detroit, Evansville, Ind., Kansas City, Boston, Baltimore, and the Twin Cities of Minnesota, and four areas in California, Los Angeles, San Diego County, Oakland, and San Francisco.

On July 22 during a redrafting of the proposed agreement submitted by the evaporated milk industry to the Secretary, a new clause was adopted by mutual consent of all the manufacturers represented which secures for producers a voice in the determination of price or the question of price changes.

It is anticipated that hearings will soon be announced for the milk sheds at Louisville, Indianapolis, Ind., and Charlotte, N. Car. Further discussion of the proposed market plans of the dry milk, butter and ice cream industry will be held with the Agricultural Adjustment officials during the last week of July.

-----0-----

7210 (7-27-33)

LIBRARY
RECEIVED
★ MAY 21 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors.

WEEKLY NEWS SERIES NO. 53
(Special Wheat Story)

9
.31 We

FIRST WHEAT PLAN PAYMENT WILL BE 20 CENTS A BUSHEL

Wheat adjustment contracts will offer farmers 20 cents a bushel this fall and either 8 or 10 cents a bushel next spring on an allotment of 54 percent of the average past 5-year production, in return for acreage reduction pledged, the Agricultural Adjustment Administration announces.

In the contract the farmers will be asked to agree to reduce acreage planted for the 1934 and 1935 crops by the percentage that the Secretary of Agriculture may declare necessary to adequately control production, but in no case, will a farmer be asked to reduce more than 20 percent of his average planted acreage for the last three years.

If all wheat farmers of the nation accepted the plan, the first 20-cent payment would require approximately $90,000,000. Secretary Wallace has made public an estimate that the taxable consumption of wheat in the United States for the next year under the 30-cent processing tax which was put into effect July 9, will amount to 460,000,000 bushels. The total tax from this source will be $138,000,000 for the year, Administration officials estimate.

The second payment to be made next spring after farmers have given evidence that they have reduced acreage, will be for not less than 8 cents, nor more than 10 cents a bushel on the allotment, less local administrative costs. Administration officials decided on the 2-cent reserve in the second payment in order to insure them freedom of action if the opportunity arises to help wheat growers by opening up new export markets. If no such opportunity is found, the second payment will be made on the 10-cent basis.

First checks will be mailed as soon as county wheat production control associations can be organized to administer the wheat plan locally, and complete the farm allotments.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate WEEKLY NEWS SERIES NO. 54
DISTRIBUTION: EXCLUSIVE to State extension editors. (Special Wheat Story)

1
31We

WHEAT PLAN ON FARMS WITH NO 1933 CROP

Farmers who grew wheat in the 3 years previously to 1933, but who seeded none for this year's crop may come under the Government's wheat plan, but are eligible only to share in the benefits for 1934 and 1935, and are not eligible for payments based on the 1933 crop, the Agricultural Adjustment Administration has announced.

However, any such grower must sign the wheat contract this fall, in order to be eligible for the benefits during the last 2 years of the plan. Under the contract he will agree to reduce wheat acreage for the 1934 and 1935 crops by whatever percentage may be required by the Secretary of Agriculture, but the Secretary may not require more than 20 percent of his average planted acreage for the 3-year period, 1930-32.

Furthermore, the Administration announces, farmers who join in the plan, in order to receive full payments this year, must have planted enough acreage for the 1933 crop to have produced their allotment, at their average yield. For farmers who planted less acreage than this for the 1933 crop, the adjustment payment will be scaled down in proportion to the amount planted for the 1933 crop. Then, if the farmer plants enough to produce his allotment in 1934 and 1935, he will be entitled to whatever payments are made for those years.

----0----

7214
(7-27-33)

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State Extension editors

WEEKLY NEWS SERIES NO. 55
(Special Tobacco Story)

.9
n31We

Burley and Other Types of Tobacco Seek Aid.

With the cigar-leaf tobacco program under way in the New England, Pennsylvania-New York, Ohio-Indiana, Wisconsin-Minnesota, and Georgia-Florida districts, the Agricultural Adjustment Administration is looking into the situation of Burley and flue-cured types of tobaccos.

Preliminary reports from the cigar-leaf areas indicate that with the campaign for agreements by growers half finished, more than 50 per cent of the cigar-leaf tobacco acreage in the various districts has already been placed under acreage-reduction agreements.

During the past week officials of the Agricultural Adjustment Administration met with representatives of tobacco manufacturers to discuss suggestions for adjusting the production of Burley and flue-cured tobaccos to consumption demands. Following the conference the representatives submitted a code, to which 90 per cent had agreed, for manufacturers of cigarettes, smoking tobacco, chewing tobacco and snuff. This code is designed to fix minimum wages, hours of labor, and improve standards of labor in the industry.

Chester C. Davis, director of production, and J. B. Hutson, acting chief of the tobacco section have met with growers and their representatives at Raleigh, N. C. The growers urged immediate action by the Administration to inaugurate a program for flue-cured tobacco.

The growers pointed out that the average price for flue-cured tobacco last year was 11.60 cents a pound compared with the fair exchange value of 15.35 cents, and asserted that the difference of 3.75 cents could provide funds through a processing tax, for a program to secure parity price for flue-cured tobacco.

Approximately 900,000 acres of flue-cured tobacco is being grown this year in Virginia, North Carolina, South Carolina, Georgia and Florida.

- - - - - - - -

United States Department of Agriculture, Office of Information, Press Service.
Washington, D. C.

LIBRARY
RECEIVED
MAY 3 1934
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State Extension editors.

WEEKLY NEWS SERIES NO. 156
(Special Milk Story.)

9
n31 We

Chicago Milk Pact

Approved By Wallace

The chief event culminating the work of last week in the Dairy Section of the Agricultural Adjustment Administration was the completion of the Chicago milk-shed marketing agreement and its approval by Secretary Henry A. Wallace.

This marketing agreement establishes a uniform scale of prices for milk bought from producers and for that sold at wholesale and retail. It automatically licenses several thousand milk distributors and distributing agencies. It tends to equalize the advantages of organized and unorganized milk producers and establishes rules of fair business practice for the distribution and selling of milk.

For months the conditions on the Chicago market have been chaotic and uncertain, with no "bottom" to farm prices under ruinous competition. The license powers of the Agricultural Adjustment Act, together with voluntary local organization, will be used to enforce the terms of the agreement.

The Dairy Section is proceeding on the details of completing other milk-shed marketing agreements that have been proposed. The evaporated milk industry has revised its agreement, ready for definite action to be taken on a national scale. Marketing agreements have been posted for hearing on ice cream and dry milk. Butter committees are almost ready to file their agreement also.

The latest fluid milk marketing agreements have been offered by Florida, through Director Weems of the Florida Milk Control Board, and for New Orleans, through a committee of distributors and producers. Charlotte, North Carolina, and Louisville, Ky., presented their problems at a Washington hearing on August 7.

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERVICE NO. 57
(Special Sugar Story)

9
n31We

Sugar Consumption Drops While Production Rises

Decline in the United States sugar consumption from almost 7,250,000 short tons in 1929 to about 6,250,000 short tons in 1932, accompanied by a tremendous expansion of sugar production in cane and beet areas in continental United States and in the insular areas are the important factors leading up to the sugar-marketing agreement which will be the subject of a public hearing in Washington on August 10, Dr. John Lee Coulter, sugar coordinator states.

Cuba has been forced to reduce production from over 5,750,000 tons to under 2,250,000 tons in 4 years as a result of expanded production in other areas, that had caused according to Dr. Coulter, " a collapse in sugar prices which a few months ago brought them to the lowest point in the history of the industry."

"Indeed, with a tariff rate of $2.65 per 100 pounds on full duty refined sugar, sugar was selling retail in the United States as low as $3.65 per 100 lbs. Producers in all supply areas were being reduced to bankruptcy and complete ruin.

"Reduction of consumption, loss of the foreign market, expansion of beet production and rapid extension of refining in tropical areas were factors which threatened the collapse of the domestic refining industry," he added. "A combination of these major and many minor factors prompted the call of all branches and from all areas to join in an effort to substitute cooperation and coordination for cut-throat competition. It was realized that collapse in the industry meant abandonment in many areas, and, in turn, high prices and exploitation of consumers."

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D.C.

.9
n31We

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 58
(Special Milk Story)

MILK AGREEMENTS UNDER CONSIDERATION

Consideration of marketing and trade agreements for the dairy industry is being continued by the Agricultural Adjustment Administration since the approval of the Chicago milk agreement, first of the series to be put into effect. The trade and marketing agreement submitted by the evaporated milk industry has been put into final form for consideration of Secretary Henry A. Wallace, and may be the next agreement to become effective.

One proposed agreement covering the marketing of butter has been submitted by a special committee headed by N. R. Clark of Chicago, with an application for a hearing. Producers' associations are represented in the agreement. Another agreement on butter has been drafted by the Association of Local Creameries, with members in Minnesota, Iowa, and Wisconsin. Still a third butter agreement, of a regional nature, has been suggested by dairy interests at Seattle, Wash. A marketing agreement for the cheese industry is also reported to be in preparation and to be submitted soon.

During the week of August 8 hearings were held on regional marketing agreements for the Charlotte, N. C., New Orleans, La., and Louisville, Ky., milk sheds, as well as on the proposed marketing plans submitted by the American Dry Milk Institute and the International Association of Ice Cream Manufacturers.

------0------

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U.S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 59
(General)

9
31 W2

CONSUMERS TO GET RETAIL COST FIGURES.

Consumers of farm products are to be furnished, in the near future, with weekly reports from the Government on the reasons for any commodity price increases, and with information on who is getting the additional money. Field workers of the United States Department of Labor and the United States Department of Agriculture are to gather and report price figures, while the Washington agencies tabulate and analyze them, Dr. Frederic C. Howe, consumers' counsel for the Agricultural Administration, has announced. Doctor Howe intends to release the information on prices through the press, radio, and special reports to groups and individuals.

The field staffs of the two Departments will gather retail prices on bread, milk, meat, and other foods, in 50 cities and from more than 1,000 stores. In the Department offices at Washington the prices will be checked and the portion that the farmer is receiving for raw materials will be determined.

The reports will also cover any price increases resulting from the payment of higher wages and new employment, and will include any changes in prices of manufactured or other commodities that farmers buy. The latter item will provide an index of the buying power of the farmer.

"Farmers have too long been getting a small return for their labor in feeding us," Doctor Howe declared. "We are trying to increase their pay. At the same time we are going to do what we can to see that the consumers are protected at a time when the Administration is trying to pull farmers and workers out of what President Roosevelt has called the 'economic hell' they have been living in for four years.

"Many manufacturers and distributors have declared their readiness to play fairly and squarely with the Administration in its efforts, while consumers are beginning to organize to ensure fair dealing. In scores of cities in the last couple of weeks, Consumers' Councils have been formed, in many instances at the suggestion of the mayors. They are non-political and reflect consumers' interests. With these representative groups we will cooperate to the utmost."

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ AUG 21 1934 ★
U.S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERVICE (Special Wheat Story)

.9
A31Wr

WHEAT CONTRACTS SENT TO FARMERS

Government printing presses are busy printing wheat adjustment contract forms in preparation for the adjustment program which will begin in earnest near the end of August. A million specimen contracts have already been printed and sent to farmers for them to study before they are asked to sign up under the wheat plan.

Contracts give farmers exact information about the agreement which the Agricultural Adjustment Administration offers them in return for pledges of acreage reduction in wheat for 1934 and 1935.

First of all, the payment on the 1933 crop is specified at 28 cents, less local county expenses, with 20 cents to be paid this fall as soon as county wheat production control associations can be formed and farm allotments made, and the remainder next spring after farmers have reduced acreage.

Acreage reduction required will not exceed 20 percent of the farmer's average acreage during the base period. Secretary Wallace will announce the exact cut to be asked August 24, following conclusion of the world wheat negotiations.

Land taken out of cultivation must be average land of the farm, not [illegible] gullies, swamps, or otherwise poor land.

Land taken out of cultivation may be publicly marked, by posting or some similar method.

Land taken out of production of wheat may not be used for any nationally produced farm products for sale, but may be summer fallowed, planted to soil-improving or erosion-preventing crops, to food crops for home consumption on the farm, or to feed crops for livestock to be consumed on the farm.

Farmers agree to plant wheat on enough acres to produce, at average yield, at least their own farm allotment.

Tenants leasing land for cash are entitled to all adjustment payments during the period of their leases. Share tenants are to share 1933 payments in the same proportion as they share the crop. Share tenants operating the farm in 1934 and 1935 shall receive the same proportion as in 1933, if the farm was operated under a share lease in 1933.

Rights to adjustment payments are not assignable, nor negotiable.

If the current average farm price of wheat for the 1934 and 1935 crop years is below the parity figure, adjustment payments will be made, the contract [illegible]

United States Department of Agriculture, Office of Information, Press Service,
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES NO. 61
(Special Wheat Story)

31-We

3-YEAR FIGURES AID USE OF 5-YEAR TOTALS

By using the three-year average production figures of individual wheat farmers for 1930, 1931 and 1932, and then adjusting these to the five-year averages for the county, County Allotment Committees can give farmers the full benefit of the five-year average, the Agricultural Adjustment Administration announces. This method makes it unnecessary for farmers to dig up records proving production for the full five years, 1928-1932.

With this system, the County Allotment Committee uses the three-year averages as their guide in determining the proportions of the five-year total production upon which each farmer's allotment is to be calculated. This procedure is especially important in regions which have been badly hit by drought or have suffered other crop losses in the last three years, the Administration says.

The total amount of allotment any county can receive is that calculated from the five-year period, so that in regions where production for the three-year period averages more than the five-year period, the adjustment would be downward. On the other hand, in counties of lower yield in the last three years, the revision would be upward. The Administration illustrates the point with the case of Bottineau County, N. Dak. In this county, the total average production for the county for the three years is just half that of the five-year period. Farmers naturally have been dubious about adopting the three-year base period, because it has appeared they would get only half as much of an allotment as they would with the five-year period.

The question is solved by the Federal statisticians by using what they term an "adjustment factor." With this system they multiply the farmer's average three-year production figure by the adjustment factor and then calculate the allotment at 54 percent of the result. In Bottineau County, where the three-year average is just half of the five-year average, the adjustment factor is 200 percent. Therefore, if a farmer had an average three-year production of 500 bushels, his allotment would be based on 200 percent of 500, or 1,000 bushels. The allotment of 54 percent of this would be 540 bushels, or more than his three-year average total production.

As general crop losses ordinarily affect all farmers in a county equally, the Administration believes this gives a fair method of adjustment.

------0------

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 31 1933
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

WEEKLY NEWS SERIES, NO. 62
(Special Wheat Story)

1
31 Wr

NO LOAN DEDUCTIONS FROM WHEAT PAYMENTS

Adjustment payment checks for those growers who qualify under the wheat production control program will be made directly , payable to the wheat farmers, and no deductions will be required to off-set governmental loan indebtedness, according to officials of the Agricultural Adjustment Administration.

This decision will make an estimated difference of millions of dollars in the cash payments which will be made available to wheat growers this year. Under the terms of the wheat contracts, growers who agree to cooperate in the governmental program of acreage reduction will receive cash payments of 20 cents a bushel this fall and between 8 and 10 cents late next spring on their individual wheat allotments, less the cost of local administration of the plan. Deduction of sums owed the Government on loans would have reduced greatly the amount of cash to be made immediately available.

The Farm Credit Administration is asking wheat farmers to apply as much of the proceeds from the adjustment payments as they can to their debts to the government, but there is nothing compulsory about it.

There is a legal distinction regarding government indebtedness in the case of wheat adjustment payments as compared with similar payments in the cotton reduction program. The cotton payment checks will be made payable jointly to the grower and to the Farm Credit Administration, with some of the government debt claims subject to negotiation where private interests are involved. In the case of cotton, part of the loan security is destroyed when growers plow under a portion of the crop. The security is not thus destroyed under the wheat plan.

- - - - - - - -

7315 (August 17, 1933)

United States Department of Agriculture, Office of Information, Press Service,
Washington, D. C.

LIBRARY
RECEIVED
MAY 31 1934
U.S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State
Extension Editors.

WEEKLY NEWS SERVICE, NO. 63
(Special Cotton Story)

1.9
2 31 We

COTTON CHECKS TO BE SENT OUT SOON

Majority of Payments Will Not Be Subject to Required Government Loan Deductions

Recent decision on the method of distributing payments where government liens are involved has cleared the way for immediate payments to cotton growers who have qualified under the acreage reduction contracts, according to C. A. Cobb, chief of the cotton production section of the Agricultural Adjustment Administration.

The certificates of performance are evidence that the grower has complied with his contract and has plowed up the cotton he agreed to eliminate from production. Mr. Cobb recently announced that a "dead-line" for plowing up the cotton had been set for August 23 and urged that destruction of accepted cotton proceed without further delay.

That the large majority of all payments to growers under the cotton contracts will be made without delay or required negotiation with regard to government loans is indicated in the announcement of policy made by the Farm Credit Administration. Total payments on the cotton contracts will run above 100,000,000 dollars. Estimates place the government loans involved at about 40,000,000 dollars Approximately three-fourths of this total, or 30,000,000 dollars, is represented in the class of debts "--- over which a Government lending agency has exclusive control and where the interest of any third party is not affected."

An agreement has been reached that in such cases the farmer will not be required to return to the Government any part of the cotton payments on account of Government debt. This class of debts includes seed and crop production loans and such loans of the Regional Agricultural Credit Corporations as do not bear indorsements by third parties and have not been rediscounted by Federal Inter-

mediate Credit Banks. The farmer will be expected in such cases to liquidate a fair proportion of his debt if his circumstances are such that he can, according to the Farm Credit Administration, but he will not be compelled to do so.

Of the 40,000,000 dollars mentioned above, there remain debts representing approximately the remaining 10,000,000 dollars, in which Government lending agencies are concerned and where there are also rights of private parties involved which the Government agencies have no power to waive. These include the security rights of many individual holders of Federal Land Bank bonds and Intermediate Credit Bank debentures.

In all cases where claims of Government agencies are involved, the cotton payment checks will be made payable jointly to the cotton grower and to the Farm Credit Administration. In the case of debts over which the Government lending agencies have exclusive control, field agencies of the Farm Credit Administration will be instructed to indorse the checks, which must be later indorsed by farmers before they can be cashed. In the cases where the Government agency is a creditor but private interests are involved in the claim, it will be necessary, according to the Farm Credit Administration's announcement, for the Government agency involved in the transaction to come to an agreement for division of the proceeds of the cotton payments which will protect the interests of all parties to the claim.

There is a legal distinction between Government indebtedness in reference to cotton benefit payments and adjustment payments under the wheat acreage reduction program of the Agricultural Adjustment Administration. In the case of cotton, part of the security of seed, feed, and other loans from the Farm Credit Administration is destroyed when the farmers who have signed up in the cotton campaign plow up a portion of their crop. None of the crop is destroyed under the wheat contracts, and the security of Government loans is not disturbed by the contracts. The wheat plan checks will be made payable directly to the growers, and not jointly with the Farm Credit Administration.

Essentially there will be but little difference in the method of payment for cotton and wheat adjustment payments, since in both cases, so far as strictly Governmental indebtedness is concerned, farmers may use the proceeds of the payments as they see fit. In the case of the cotton payments where private interests are involved in the Governmental claim, however, the division of the proceeds will be the subject of negotiation.

- - - - - - - -

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
★ MAY 31 1933 ★
U.S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

WEEKLY NEWS SERIES, NO. 64
(Special Wheat Story)

9
n31We

Wheat Plan Success Said Local Matter

Responsibility for successful administration of the wheat adjustment program in any county, lies not in Washington but in that county, Secretary Wallace says, in a wheat campaign manual, "A Balanced Harvest--What the Farm Act Offers the American Wheat Grower," - now being distributed to farmers by county agents.

Besides explaining the economic background of the wheat program and details of the wheat plan itself, the manual includes a "work sheet" with which a farmer may estimate his allotment and adjustment payments for this year under the plan.

The Secretary in his statement calls for a businesslike attitude toward the wheat campaign.

"It is all very well" the Secretary says "to say that in a world where people are hungry there can be no surplus. There it is. Agriculture is a business. Wheat must move into consumption on a business basis or not at all. If it does not move, it clogs trade channels, breeds universal poverty and threatens the entire structure of society. Ungoverned overproduction is not a social blessing, but a tragic waste. It kills trade and spreads ruin. If you incline to doubt that, think back to last winter when we had the most wheat, the lowest price, and the longest breadlines in our history.

"Another winter is coming on. We are trying to get wheat production organized on a sensible basis.....The new opportunity given American agriculture to organize production on a business basis, and the assurances of a better price for farmers who cooperate in this historic effort, are definite and plain."

- - - - - - - -

LIBRARY
RECEIVED
★ MAY 31 1934 ★
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

WEEKLY NEWS SERVICE, NO. 65
(Special Wheat Story)

.9
A31We

All Wheat Records Needed Under Plan

Acreage and production of farmers who do not come under the wheat adjustment plan in each county, as well as of those who do, will be checked, M. L. Wilson, chief of the wheat section of the Agricultural Adjustment Administration, has announced.

This double check will be necessary in order to give the Contract Records Unit in Washington full information at the time of examining each county's report before adjustment payments are made. The U.S. Department of Agriculture has official production and acreage figures, and the county allotment committee's calculations must agree closely with these official records, Mr. Wilson said.

In most places, farmers will be asked to submit acreage and production records for the three-year period, 1930-1932. The three-year period is used for the convenience of farmers. Allotments are based on the five-year average, and each farmer's three-year records will be adjusted to give him the benefit of the five-year average.

Mr. Wilson emphasized that the county allotment for each county is definitely fixed and that no county can receive a greater total allotment than that given it.

He also emphasized that the total production of contracting farmers, added to the production of noncooperating farmers, must agree substantially with the official records in Washington.

- - - - - - - -

7309 (August 17, 1933)

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 21 1934
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

WEEKLY NEWS SERIES, NO. 66
(General Story)

9
.31 We

DAIRY MARKETING PLANS SUBMITTED

Four major marketing agreements, all national in scope, affecting four different phases of the dairy industry have thus far been submitted to the Agricultural Adjustment Administration, in addition to the numerous regional marketing agreements on fluid milk. The four major national agreements apply to the evaporated milk industry, the ice cream industry, the dry skim milk industry, and the butter trade. Hearings have been held on all except the butter agreement, and the hearing on that probably will be held in Washington on August 22.

By the end of this week hearings will have been completed on 18 regional marketing agreements, applying to as many metropolitan milk sheds. Consideration of two of these agreements, those for Detroit and Philadelphia, has been completed and recommendations have been presented to the Administrators of the Adjustment Act by the dairy section of the Adjustment Administration.

One agreement, that for Chicago, has been approved by the Secretary of Agriculture, and put into effect. The agreement and code for the evaporated milk industry have been put into final form for approval and probably will soon be issued.

Conferences of dairy leaders have been under way at Washington during the past week, and are to be resumed later in the month. It is expected that as a result of these conferences, measures toward coordinating the industry and strengthening weak spots will be inaugurated.

- - - - - - - -

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

LIBRARY
RECEIVED
MAY 3 1934
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

WEEKLY NEWS SERIES, NO. 367
(Tobacco Story)

.9
Ag 31 We

CIGAR-TYPE TOBACCO REDUCTION PLAN SET

As the opening step toward inaugurating a program for reducing production and increasing returns to growers of cigar-type tobacco, R. G. Tugwell, Assistant Secretary of Agriculture, has issued a proclamation announcing the intention of the Government, through the Agricultural Adjustment Administration, to pay benefits to growers of this type of tobacco who reduce their 1933 acreage in accordance with the plan which has been worked out by the Adjustment Administration.

The announcement of intention to pay benefits precedes the imposition of a processing tax on this type of tobacco, from the proceeds of which tax the payments will be made. It has been estimated that cigar-tobacco growers would receive this year some $3,500,000 in benefits if all of them cooperated in the production program.

It is reported that there has been a reduction of 23 percent in this year's yield of shade-grown cigar tobacco in the Georgia-Florida district. Growers of cigar-type tobacco in the Georgia-Florida, the New England, the Pennsylvania-New York, the Ohio-Indiana, and the Wisconsin-Minnesota districts have been given opportunity to cooperate in the program and to obtain the compensatory payments offered. The method of determining the payments and the basis on which they are calculated are different in the different districts.

Meanwhile, conferences with growers of flue-cured tobacco are under way this week in Washington, with proposals for improving the situation of that industry under discussion.

Because of representations made by the growers of tobacco in South Carolina and adjoining territory, through the Agricultural Adjustment Administration, the tobacco market in South Carolina opened on August 10 this year instead of August 15, the date originally set.

- - - - - - - -

LIBRARY
RECEIVED
★ MAY 31 1934
U. S. Department of Agriculture

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State Extension Editors.

WEEKLY NEWS SERIES, NO. 68
(General Story)

.9
n31Wr

REVISE CONTRACTS FOR CANNING CROPS

A campaign to bring about revision of forward contracts in the interests of growers of fruits and vegetables for canning, and definite progress in formulating several important marketing agreements have marked recent activity in the special crops section of the Agricultural Adjustment Administration.

In both lines of action the result has been to combine increased returns and purchasing power of farmers with higher wages and better employment conditions in industry.

The movement to revise contracts grew out of appeals from tomato growers in New Jersey, who complained that they were facing higher costs for harvesting as well as higher living costs, whereas their prospective returns were based upon contracts made early in the year, before the national recovery program was launched. In response to these appeals, the Adjustment Administration requested all canners of tomatoes and tomato products in the United States to increase prices over those stated in contracts by 25 percent.

This was followed by another request to wholesalers and chain store companies to cooperate by consenting to upward revision of their contracts with the canners. Thus far, canners and distributors have been virtually unanimous in pledging their cooperation. The Administration has asked growers to report the names of any canners refusing to cooperate. A 25 percent increase to the growers of canning tomatoes will mean an increase of approximately $2,000,000 in their purchasing power.

Similar revisions in contract prices of sweet corn, pears and other products are being suggested by the Administration.

The marketing agreement covering the California cling peach industry, which would assure growers $20 a ton or its equivalent for their entire No. 1 crop, whether harvested or not, has been signed by 22 canning companies representing more than 70 percent of the volume of the peach pack and submitted to the Secretary of Agriculture for final approval. If he approves it, the agreement will go into effect and all canning companies handling cling peaches will be licensed.

Efforts are being made to have other agreements made effective in time for this season's crops of fruit.

- - - - - - - -

United States Department of Agriculture, Office of Information, Press Service,
Washington, D. C.

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVELY to State Extension Editors.

WEEKLY NEWS SERIES, NO. 69
(Special Hog Story)

LIBRARY
RECEIVED
MAY 31 1934
U. S. Department of Agriculture

9
.31We

WALLACE ANNOUNCES EMERGENCY HOG PLAN

Recognizing that the farm price of hogs is still only about half the fair exchange value called for in the Agricultural Adjustment Act, and in order to bolster up the purchasing power of the corn belt, Secretary Henry A. Wallace announced in Chicago on August 18 an emergency plan for adjusting hog production.

This emergency plan probably will go into effect within a few days on announcement by the Secretary. Beginning then farmers may sell at the regular markets their spring pigs weighing under 100 pounds and their piggy sows due to farrow within three weeks and weighing over 275 pounds at premium prices. Farmers will receive a bonus of $4.00 per head plus the market price of packing sows on the day marketed, without dockage, for their piggy sows. For pigs it is intended to pay $9.50 per hundred pounds for those weighing from 25 to 30 pounds, the price graduating 25 cents per hundred pounds for each five pound increase in weight, to the minimum price of $6 per hundred for those weighing from 95 to 100 pounds.

The edible products of these animals will be disposed of primarily by relief agencies. The meat will be purchased at a price sufficient to defray the costs of processing, storage, and freight. Meat so distributed by the Emergency Relief Administration will not be permitted to come into competition with meat sold in the regular trade channels.

This plan contemplates the purchase and slaughter of about four million pigs and one million sows. This will effect a reduction in tonnage for the 1933-34 marketing season of probably 1,800,000,000 pounds of hogs live weight, or about 16 per cent of the hog tonnage normally marketed. Such a reduction, according to past experience, should increase hog prices for the season by anywhere from 25 to 30 per cent.

In his Chicago statement, Secretary Wallace emphasized the fact that this plan is intended to meet only tho immediate emergency and must not be confused with a more permanent, long-time program which must be developed later. "I haven't any doubt that this emergency program can be made to succeed," said the Secretary in his Chicago address. "It has come from the grass roots. I believe it has the support of most of our leading corn-hog farmers. The packers and others interested in the hog business have agreed to cooperate. I am not worried about this emergency program but I am terribly concerned lest the Corn Belt should fail to recognize how really dangerous this program can be unless it is tied up closely to a long-time program."

Funds to handle this premium-buying emergency plan will come from a processing tax to be levied later on hogs and hog products. The Secretary stated that a tax of considerably less than a cent a pound would accomplish the purpose, but it is not decided yet just what the tax will have to be.

Dr. A. G. Black, chief of the hog section under the Adjustment Act, explains that although the processing packers are equipped to handle receipts in huge volume on account of this being the normal slack season farmers should be cautioned against flooding the markets with too great a supply all at once, for fear of finding the market glutted. There will be no lowering of the payments announced during the buying period and hence nothing is to be gained by joining in an early rush to market. Farmers are advised to communicate with their market before shipping.

United States Department of Agriculture, Office of Information, Press Service
Washington, D. C

LIBRARY
RECEIVED
MAY 21 1934
U. S. Department of Agriculture

RELEASE: Immediate
DISTRIBUTION: EXCLUSIVE to State extension editors

WEEKLY NEWS SERIES, No. 70
(Special Wheat Story)

1.9
A31 We

LIST CROP USES FOR RETIRED WHEAT LAND

Seven different methods of handling the acres which are taken out of wheat production under the terms of the wheat adjustment contracts have been announced as "approved practices" by Chester C. Davis, director of the production section of the Agricultural Adjustment Administration.

The approved practices are in accord with the provisions of Section 6 of the wheat contracts that, "The contracted acreage of 1934 and 1935 shall not be used for the production of any nationally produced agricultural product for sale--" They are based upon the suggestions of Joseph F. Cox, chief of the Replacement Crop Section of Adjustment Administration, and approved by the Administration.

Under the approved practices, a farmer may permit his retired acres to lie unplanted, where it can be done without serious erosion loss, controlling noxious weeds if necessary by mowing before seed develops. He can practice summer fallowing, particularly where this is an established practice and where there is a minimum of soil erosion.

The farmer may plant to permanent pasture, with the provision that land so planted is not eligible to be counted as contracted acreage during the second season when used for pasture or a hay crop is harvested. Other acres must then be substituted and used to conform with the wheat contract. Or he may plant to meadow crops, with similar provisions regarding the second year.

Special weed control measures may be practiced on the retired acres, with a system of cultivation, chemical treatment, or other effective measures used in such control.

The acres may be planted to forest trees for windbreak or farm use, and comply with the terms of "Section 6." Soil improvement crops to be plowed under may be planted in accordance with adaptation.

###